

Investing in New York's Energy Future

An Interview with
Kenneth D. Daly, President, National Grid New York

EDITORS' NOTE In 1988, Kenneth Daly joined National Grid's predecessor, Brooklyn Union Gas Company—which later became KeySpan—as a Management Trainee in the Customer Relations Department and has spent most of his 27 years with the company in its New York business. For two years he was based in London, serving as Global Financial Controller, and has previously held numerous positions in Finance, Human Resources, and Customer Relations. Daly graduated from St. Francis College with a B.A. in English



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and has earned both an M.B.A. in Finance from St. John's University and an M.S. in Human Resource Management from New York University. He achieved the distinguished Chartered Financial Analyst (CFA) designation in 2002. He is a graduate of the David Rockefeller Fellows Program and graduated from the Harvard Advanced Management Program in 2014.

COMPANY BRIEF National Grid (*nationalgrid.com*) is a local New York business and part of an international energy delivery company. In the U.S., National Grid is the largest distributor of natural gas in the northeastern U.S. and delivers gas and electricity to nearly seven million customers in Massachusetts, New York, and Rhode Island. The company's New York service area spans from Niagara Falls to the forks of Long Island.

Would you discuss the importance of being innovative in such a competitive industry?

In New York, we're working very closely with the State Department of Public Service's Reforming the Energy Vision (REV) proposal to look at how we can better work together to align long-term energy policy objectives with utility and customer interests. Connect21 is National Grid's overall approach to planning and operating the energy infrastructure in the Northeast and supports the REV initiative. We have taken a leadership role in bringing the nation's electricity and natural gas systems into the 21st century through increasingly resilient infrastructure, enabling new technologies to be implemented more quickly, and helping customers take control of their energy use. National Grid is involved in demonstration projects that will integrate clean energy, harness new technologies, and deliver new options – and more control – for customers.

What kind of energy challenges are facing big cities like New York and how is National Grid at the forefront of addressing these concerns?

National Grid's single highest priority in our New York City and Long Island service areas is to provide a safe and reliable gas delivery system to our 1.8 million customers. This requires day-to-day maintenance of our gas system and service to our customers. But it also requires significant funding for long-term investments in our

gas infrastructure on behalf of these customers. For more than a decade, we've been making these increased investments – including during Superstorm Sandy and the past two Polar Vortex winters – and we've been able to do so while providing an environment of rate stability for our customers.

Would you highlight your efforts around safety and reliability?

National Grid's number-one priority is the safety of the public, our customers, and our employees. 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.

What impact is technology having on your business today?

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 the development of 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; and 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.

We're also employing new gas safety technologies including state-of-the-art robotic technologies, like Cast Iron Joint Sealing Robot (CISBOT), to repair gas main joints to minimize excavation and disruption to our customers and the public.

How critical is a volunteerism culture for National Grid and how do you engage your employees in these efforts?

National Grid has been a major part of the communities we serve for over a century.

Our Superstorm Sandy Rebuild Grant program assisted 22,000 residential customers and 300-plus businesses, and helped retain 10,000 jobs in New York City and Long Island.

We passionately support science, technology, engineering, and math (STEM) education, which are critical skills for our future workforce. Engineering Our Future (EOF) is our long-term plan to positively affect the attitudes of young people, their parents, and their teachers toward STEM careers. National Grid works with students, from kindergarten to college, to support and promote STEM education.

In New York City we are collaborating with educators and business leaders on a new approach to STEM education through Energy Tech High School, an early college and career high school with a six-year program that trains students for careers in energy.

In partnership with my alma mater, Brooklyn Technical High School, we launched a program to introduce middle school students to the exciting world of STEM. Students participated in classes and project-based experiences including design and modeling, automation and robotics, energy and the environment, the magic of electrons, and the science of technology.

Each year, more than 150 employee volunteers teach over 3,000 students across New York City and Long Island, and raise thousands of dollars for Junior Achievement.

In addition, National Grid is the Northeast Regional Sponsor of City Year's Whole School Whole Child program, focusing on underserved elementary students and addressing three key indicators for students most at risk for dropping out. Our "Power to Serve" employee volunteer program helps to make National Grid a great place to work and our communities a great place to live ●