

**Case: 06-M-0878**

**National Grid/KeySpan Merger**

Interrogatory/Document Request

Response of National Grid/KeySpan

Re: Construction Expenditures

Request #: DPS 68

Response Date: September 12, 2006

Respondent: M. Smith

Q:

For each KEDNY and KEDLI:

1. Please provide the gas construction expenditure variance reports for each calendar year, 1999 through 2005. Also, please provide any year-to-date gas construction expenditure variance reports that have been produced in 2006.

A:

The information for 2006 to date and calendar years 2005, 2004 and 2003 follows:

### KEDNY

Information through July, 2006

Classification	YTD Actual	YTD Plan	YTD Variance
<b>Growth</b>	\$26,726,267	\$27,512,940	(\$786,673)
<b>Mandated</b>	\$36,559,244	\$47,431,065	(\$10,871,821)
<b>Reliability</b>	\$14,171,256	\$18,001,354	(\$3,830,099)
<b>Other</b>	\$2,032,347	\$1,283,629	\$748,717
<b>Total</b>	\$79,489,113	\$94,228,988	(\$14,739,875)

### KEDLI

Information through July, 2006

YTD Actual	YTD Plan	YTD Variance
\$17,256,837	\$21,540,273	(\$4,283,436)
\$24,333,340	\$21,404,156	\$2,929,183
\$5,503,304	\$7,622,457	(\$2,119,153)
\$421,154	\$416,527	\$4,627
\$47,514,635	\$50,983,414	(\$3,468,778)

### KEDNY

Calendar 2005

Classification	YTD Actual	YTD Plan	YTD Variance
<b>Growth</b>	\$45,822,900	\$40,634,737	\$5,188,162
<b>Mandated</b>	\$57,305,289	\$79,079,301	(\$21,774,012)
<b>Reliability</b>	\$20,461,802	\$20,222,667	\$239,135
<b>Other</b>	\$2,683,475	\$2,075,014	\$608,462
<b>Total</b>	\$126,273,465	\$142,011,718	(\$15,738,253)

### KEDLI

Calendar 2005

YTD Actual	YTD Plan	YTD Variance
\$35,242,023	\$31,758,085	\$3,483,938
\$50,280,939	\$49,568,433	\$712,506
\$23,514,503	\$23,038,696	\$475,807
\$1,407,318	\$1,326,000	\$81,318
\$110,444,784	\$105,691,215	\$4,753,569

**KEDNY**  
Calendar 2004

Classification	YTD Actual	YTD Plan	YTD Variance
<b>Growth</b>	\$39,839,934	\$23,332,131	\$16,507,803
<b>Mandated</b>	\$106,368,800	\$58,802,807	\$47,565,993
<b>Reliability</b>	\$7,502,780	\$22,304,734	(\$14,801,954)
<b>Other</b>	\$1,932,483	\$2,453,496	(\$521,013)
<b>Total</b>	\$155,643,997	\$106,893,168	\$48,750,829

**KEDLI**  
Calendar 2004

YTD Actual	YTD Plan	YTD Variance
\$40,515,758	\$44,451,993	(\$3,936,235)
\$46,459,238	\$44,663,626	\$1,795,612
\$19,265,931	\$12,287,234	\$6,978,697
\$988,654	\$1,341,132	(\$352,478)
\$107,229,581	\$102,743,985	\$4,485,596

**KEDNY**  
Calendar 2003

Classification	YTD Actual	YTD Plan	YTD Variance
<b>Growth</b>	\$44,207,730	\$26,803,946	\$17,403,784
<b>Mandated</b>	\$61,137,151	\$59,687,439	\$1,449,712
<b>Reliability</b>	\$7,377,517	\$6,873,860	\$503,657
<b>Other</b>	\$1,804,653	\$2,410,628	(\$605,975)
<b>Total</b>	\$114,527,051	\$95,775,873	\$18,751,178

**KEDLI**  
Calendar 2003

YTD Actual	YTD Plan	YTD Variance
\$53,060,130	\$48,964,812	\$4,095,318
\$49,824,373	\$52,753,217	(\$2,928,844)
\$25,907,903	\$22,835,262	\$3,072,641
\$610,251	\$1,372,979	(\$762,728)
\$129,402,657	\$125,926,270	\$3,476,387

The information for 2002, 2001, 2000 and 1999 is shown below but the category breakouts are different from those in the more recent years.

KEDNY				KEDLI		
Calendar 2002				Calendar 2002		
Classification	YTD Actual	YTD Plan	YTD Variance	YTD Actual	YTD Plan	YTD Variance
<b>Growth</b>	\$28,999	\$29,653	(\$654)	\$65,568	\$72,334	(\$6,766)
<b>Non-Growth</b>	\$54,429	\$66,777	(\$12,348)	\$51,776	\$67,231	(\$15,455)
<b>Total</b>	\$83,428	\$96,430	(\$13,002)	\$117,344	\$139,565	(\$22,221)

Calendar 2001			
Classification	YTD Actual	YTD Plan	YTD Variance
<b>KEDLI Gas Operations</b>	\$127,862	\$114,564	\$13,298
<b>KEDNY Gas Operations</b>	\$89,035	\$82,310	\$6,725
<b>Field Operations Support</b>	\$7,760	\$5,076	\$2,684
<b>Production &amp; Control</b>	\$21,791	\$21,438	\$353
<b>Gas Engineering</b>	\$5,008	\$7,468	(\$2,460)
<b>Other</b>	\$1,634	\$455	\$1,179
<b>Total</b>	\$253,090	\$231,310	\$21,780

<b>Calendar 2000</b>			
Classification	YTD Actual	YTD Plan	YTD Variance
<b>Keyspan Gas - LI</b>	\$82,294,962	\$64,852,611	\$17,442,351
<b>Keyspan Gas - NYC</b>	\$70,644,016	\$72,731,066	(\$2,087,050)
<b>Gas Engineering</b>	\$1,345,921	\$1,269,224	\$76,697
<b>Central Field Services</b>	\$8,903,809	\$9,844,376	(\$940,567)
<b>Other</b>	\$155,766	\$375,000	(\$219,234)
<b>Total</b>	\$163,344,475	\$149,072,277	\$14,272,198

<b>Calendar 1999</b>			
Classification	YTD Actual	YTD Plan	YTD Variance
<b>Keyspan Gas - LI</b>	\$67,815,081	\$60,215,669	\$7,599,412
<b>Keyspan Gas - NYC</b>	\$62,725,786	\$73,765,949	(\$11,040,163)
<b>Gas Engineering</b>	\$1,195,086	\$1,341,101	(\$146,016)
<b>Central Field Services</b>	\$8,457,974	\$10,274,988	(\$1,817,014)
<b>Other</b>	\$456,861	\$1,900	\$454,961
<b>Total</b>	\$140,650,787	\$145,599,607	(\$4,948,820)