

# NEW YORK

## Start and End with the Customer

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



*Kenneth D. Daly (left) National Grid Partners with Queens Library*

**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 25 years with the company in its New York business. He was recently based in London, serving for two years 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 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. Daly is a member of the Saint Francis College Board of Trustees and has been an adjunct professor at the college for 20 years. He is a member of the David Rockefeller Fellows Program and is active in numerous civic organizations in New York.

**COMPANY BRIEF** National Grid ([www.nationalgrid.com](http://www.nationalgrid.com)) is an international energy delivery company. In the U.S., National Grid delivers electricity to approximately 3.3 million customers in Massachusetts, New Hampshire, New York, and Rhode Island, and manages the electricity network on Long Island under an agreement with the Long Island Power Authority (LIPA). It is the largest distributor of natural gas in the northeastern U.S., with the company's New York service area spanning from Niagara Falls to the forks of Long Island.

### **What makes the National Grid brand so special and how is it positioned for growth in today's economy?**

Our brand is unique, as it's focused entirely on our customer. The service we provide – gas and electricity – enables our customers to work, live, and play. And as an energy provider, we understand our service impacts each customer that depends on us for the safe and reliable service we provide.

So our motto is, start and end with the customer.

We focus on investing in our energy infrastructure so we can provide safe and reliable gas and electric service; we help customers manage their energy use to keep their bills down; and we give back to the local communities we serve.

### **What investments is National Grid making in energy infrastructure and how critical is that to the future of the business?**

About five years ago, we made a promise to invest \$1.5 billion in Upstate New York, and we recently met that commitment ahead of schedule despite the unprecedented economic downturn. As a result, we're seeing a significant improvement in the reliability of our upstate electric system.

In terms of downstate, we're more of a gas company in Brooklyn, Queens, and Staten Island, and also on Long Island. Over the next five years, we expect to invest over \$2 billion in downstate New York.

The investment in downstate is focused on upgrading and expanding our gas infrastructure so more consumers can convert from oil to gas. Natural gas has a significant price differential and saves customers more than 50 percent on their winter heating bills. It's also a cleaner burning fuel, which is much better for the environment.

### **How is technology impacting the way National Grid operates?**

The area we're proudest of in terms of our use of technology and innovation is our environmental stewardship. We encourage customers to use high-efficiency equipment and new technologies as a way to save energy, reduce their bills, and help protect the environment. We offer rebates for a wide variety of energy equipment to help provide more options for customers. Within the U.S., we are the leader in converting customers from oil to gas. Each time we convert a customer, it's like taking 15 cars off the road – and we do that about 40,000 times per year.

Also, we're partnering with the NYC Clean Heat program to accelerate the adoption of the cleanest fuels such as natural gas. Since the program began in 2011, we have been able to help almost 30 percent of the large buildings in Brooklyn, Queens, and Staten Island reduce their emissions by converting from heavy oils to natural gas.

In addition, we're looking at renewable energy and new technologies, and we have an exciting project in Massachusetts where we worked with customers to help design a Smart Grid pilot, which we are launching with about 15,000 customers to allow them to choose how they use their energy. So it's a smarter use of electricity.

The key is balancing the customers' desire for greener energy with their ability to fund those projects.

### **How large is the economic impact you've had on the communities you serve?**

What is unique about National Grid is that our assets are here in the ground and throughout the communities we serve. And perhaps more important, our employees tend to live in these communities, and clearly the more than 10,000 men and women in our ranks across New York State have a significant economic and social impact locally.

One example is a program called "Cinderella." We started it in 1966 and at the time, it was earmarked for revitalizing neighborhoods in our territory.

It has advanced and is now known as "Green Cinderella," so the focus is on energy efficiency to help those same customers upgrade their neighborhoods in an environmentally friendly way.

### **How critical is it that your workforce mirrors the diversity of your customer base?**

We pride ourselves on ensuring that our employees reflect our service territory and it has paid off over the years.

But we also want to ensure the future workforce coming in is equally as diverse, so we're partnering to create a pipeline to give students the same opportunities with mentoring, site visits, and scholarships, that folks like myself were afforded many years ago when I joined the company.

Within the company, we have a number of Employee Resource Groups (ERGs) to help build awareness and understanding about inclusion and diversity throughout the organization. Executives, like me, sponsor the ERGs, serving as a champion to support the group's vision, mission, and objectives.

For example, we are focused on helping veterans re-assimilate into the workforce, through recruiting efforts and by recognizing and supporting our employee veterans who have been called to active duty.

### **How is National Grid working towards attracting more young people into the engineering field?**

We're concerned that we don't see a strong pipeline of students interested in science, technology, engineering, and mathematics (STEM).

We have a number of programs to engage students in science and technology from Kindergarten to high school, and through college from our Engineering Our Future program to partnerships with specialized math and science high schools in our service area to training programs at local colleges and universities. These programs are designed to ensure we have a workforce in the future that is trained to "start and end with the customer." ●