

Investing in New York and Long Island

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 26 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 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 designation in 2002. Daly is a member of the New York State Energy Research and Development Authority board of directors and the St. Francis College board of trustees and has also been an adjunct professor at the college for 20 years. He is a graduate of the David Rockefeller Fellows Program, and is active in numerous civic and academic organizations in New York.



Kenneth D. Daly

COMPANY BRIEF National Grid (nationalgrid.com) is a local New York business and part of an international energy delivery company. It 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.

As an industry leader that has achieved strong results year after year, what makes National Grid so successful?

National Grid is meeting its commitment to invest in the communities we serve and the results are evident through improved reliability, a strong gas safety program, and rate stability. Our energy efficiency and economic development programs are leading the way in National Grid's overall partnership with customers and our commitment to the communities we serve, especially those communities most impacted by Superstorm Sandy. We take our role as a community citizen seriously and look forward to strengthening our partnerships to make the areas in which we live and work safer, healthier, and more vibrant.

You have said that energy is one of the biggest challenges facing cities like New York. What needs to be done to tackle these challenges?

National Grid's number-one priority is the safety of the public, our customers, and our employees. To that end, we are committed to the safe and reliable operation of our natural gas facilities. National Grid crews continually monitor, test, repair, and upgrade the underground distribution system that delivers natural gas. Over the next two years, National Grid will invest more than \$1 billion in gas infrastructure projects in New York, some of which include the Brooklyn Queens Interconnect project, which is the first new gas supply delivery point connecting Brooklyn and Queens in 50 years; a partnership with the New York City Clean Heat initiative to accelerate phase-out of heavy oils in 750 buildings in National Grid's territory; a transmission and distribution project in Queens to bring a much-needed natural gas supply to the region; providing energy efficiency rebates to more than 6,200 Downstate New York customers since 2008; and partnering with New York City's Office of Long-Term Planning and Sustainability and the U.S. Department of Energy's Better Buildings Energy Data Accelerator.

What technological changes are impacting National Grid 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. Building public-private partnerships is key, such as the one we have with the New York City Department of Environmental Protection, to demonstrate that renewable gas is another option to meet the clean energy needs of the future. In addition, we are the energy anchor for the development of the Buffalo Niagara Medical Campus, and we are integrating a micro-grid in partnership with Clarkson University, GE, and Nova Energy Specialists to help storm-harden service areas in remote locations. In Worcester, Massachusetts, we are providing 15,000 customers with smart meters, and the right tools and information to be more efficient and reduce costs.

How important is diversity at National Grid and what efforts go into building a diverse and inclusive workforce?

We pride ourselves on ensuring that our employees reflect our service territory, and it has paid off. But we also want to ensure that 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. For example, we partnered with New York City's Department of Education and the City University of New York to create Energy Tech, a new high school to prepare students for careers in energy. Within the company, we have a number of Employee Resource Groups to help build awareness and understanding about inclusion and diversity throughout the organization. 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.

In addition to what we do internally, National Grid's Supplier Diversity Program supports minority business enterprises through the purchase of goods and services throughout the company's service area. The National Minority Business Council recently recognized us with their 2014 Outstanding Corporate Diversity Award.

What are the key priorities for National Grid to ensure that it remains an industry leader?

Our priority is to focus on what we can do to modernize our electric and natural gas networks. At the same time, customers want more choice, better reliability, fast and seamless delivery, and high-quality energy—all at affordable prices. We have an integrated approach called "Connect21" that has three major functions: to build a resilient energy backbone that provides reliable, flexible electric and gas service to all customers; to provide customers with more energy choices; and to offer customized solutions to customers who want different levels of service.

In New York, we're working with the State Department of Public Service to look at how we can collectively align long-term energy policy objectives with utility and customer interests. We also need to open up our network to high-tech partners focused on innovation.

"Connect21" advances the nation's natural gas and electricity infrastructure to make it more customer-centric, resilient, secure, efficient, and environmentally sound. By embracing policy and technological innovation, we can drive improved energy productivity, create jobs, and strengthen local economies. A modernized energy grid will help us better prepare for the many challenges we face, whether brought on by severe weather, cyber attacks, or the changing energy landscape. ●