

Information Request EDC-3-8

Request:

Based on current trends, please describe all external contractor resource constraints that may impact distributed generation ("DG") interconnection construction timelines. Include in your response constraints related to availability of construction workers and costs of construction materials.

Response:

At this time, National Grid is not aware of any external contractor resource constraints that will impact distributed generation interconnection construction timelines. This response is based on comparing the short-term work plan with available contractor resources. Available resources are determined via discussion with applicable unions and MSA contractors.

Costs of construction materials are a significant concern given the current market situation coming out of the pandemic. Key cost components such as steel and copper have been increasing at alarming rates. For example, the cost of network transformers has increased by 14 percent, voltage regulators by 7.5 percent, and cable by 18 percent since May of 2020. Shipping delays are an additional concern given supply chain issues experienced during the past year. As a result of these material-related concerns, National Grid expects system modification costs to be higher than estimated in past years for similar work.

As the market landscape for contracting resource availability and material pricing is constantly evolving, the above observations from National Grid can only reflect what is known today and what has been observed historically, without guarantee for the future.