

nationalgrid

# SASB Report

2023/24



# Inside this document

**The Sustainability Accounting and Standards Board (SASB) voluntary reporting standards are designed to enable the disclosure of company sustainability information in a clear and consistent manner so that it can be used by investors and other stakeholders. 2023/24 is the fourth year National Grid has published a SASB map to demonstrate alignment to the SASB Standards.**

There are currently 77 SASB industry standards, of which 2 are considered relevant for National Grid. This SASB Report sets out our alignment with both the:

- Electric Utilities & Power Generators Standard (US & UK)
- Gas Utilities and Distributors Standard (US)

SASB Standards can be downloaded from the SASB website. National Grid have elected to early adopt version 2023-12 of the standards.

We are pleased that we have continued to achieve alignment to SASB, providing disclosures for all SASB metrics that are relevant to our business. Please view the 'National Grid Disclosure' column in the tables on the following pages, which set out where the relevant disclosures have been made. Some of our disclosures can be found in our Responsible Business Report 2023/24 (RBR) and Climate Transition Plan (CTP), which are located in the responsibility section of our website <https://www.nationalgrid.com/responsibility>.

We have included a key to detail the segments, operating companies and units used in our SASB disclosures. Our Gas Utilities and Distribution disclosure applies to the US business only, as the UK have no gas transmission and distribution operations within our continuing business. Additionally, many of the customer and billing focused SASB metrics are not applicable to our UK business, as the UK business is not customer facing. Therefore, these metrics are only relevant to our US business and only US metric data is disclosed.

We undertake limited assurance of our SASB metrics on a cyclical basis. This year, the full suite of Gas Utilities and Distributors standard metrics have been assured by our internal second line risks and control team.

## Key

| Term/Acronym   | Definition  |
|----------------|---|
| <b>Segment</b> |   |
| US             | United States: includes New England and New York  |
| NE             | New England: covers the states of Massachusetts, New Hampshire, Vermont and Connecticut |
| MA             | Massachusetts: includes MA Gas MECO, NANT and NEP operating companies                   |
| NY             | New York: includes NMPC, KEDNY and KEDLI operating companies                            |
| UK             | United Kingdom: includes NGET and NGED operating companies                              |
| NGV            | National Grid Ventures: includes Interconnectors, NGR, GenCo and LNG Grain              |

|                            |  |
|----------------------------|--|
| <b>Operating companies</b> |  |
| MECO                       | Massachusetts Electric Company                           |
| NANT                       | Nantucket Electric Company                               |
| NEP                        | New England Power Company                                |
| MA Gas                     | Boston Gas Company including former Colonial Gas Company |
| NMPC                       | Niagara Mohawk Power Corporation                         |
| KEDNY                      | KeySpan Energy Delivery New York                         |
| KEDLI                      | KeySpan Energy Delivery Long Island                      |
| NGED                       | UK National Grid Electricity Distribution                |
| NGET                       | UK National Grid Electricity Transmission                |
| GenCo                      | Long Island Generation Company                           |
| NGR                        | National Grid Renewables                                 |
| LNG Grain                  |  |

|              |                                   |
|--------------|-----------------------------------|
| <b>Units</b> |                                   |
| MMBTU        | One Million British Thermal Units |
| DTH          | Dekatherm                         |
| MWh          | Megawatt hour                     |



# Electric Utilities & Power Generators Standard

| Code   | SASB Accounting Metric   | National Grid Disclosure   |
|--|--|--|
| <b>Greenhouse Gas Emissions &amp; Energy Resource Planning</b> |  |  |
| IF-EU-110a.1   | (1) Gross global Scope 1 emissions (ktCO <sub>2</sub> e), and percentage covered under:  | 3,988  |
|  | (2) Emissions-limiting regulations   | 70%  |
|  | (3) Emissions-reporting regulations  | 100%   |
| IF-EU-110a.2   | Greenhouse gas (GHG) emissions associated with power deliveries  | RBR pages 10-13  |
| IF-EU-110a.3   | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | RBR pages 10-13<br>CTP pages 9-18  |
| <b>Air Quality</b>   |  |  |
| IF-EU-120a.1   | Air emissions of the following pollutants (tonnes):  |  |
|  | (1) NO <sub>x</sub>  | 1,547  |
|  | (2) SO <sub>x</sub>  | 176  |
|  | (3) Particulate matter (PM <sub>10</sub> )   | 191  |
|  | (4) Lead (Pb)  | National Grid are not required by our UK or US regulators to monitor and report lead or mercury as they are not considered material to our operations. |
|  | (5) Mercury (Hg)   | 0% and 100% of our UK and US emissions respectively are within or near areas of dense population.  |
|  | Percentage of each in or near areas of dense population (%) <sup>1</sup>   |  |
| <b>Water Management</b>  |  |  |
| IF-EU-140a.1   | (1) Total water withdrawn (mm <sup>3</sup> )   | 1,139.5  |
|  | Percentage of total water withdrawn in regions with High or Extremely High Baseline Water Stress <sup>2</sup>  | 0.4%   |
|  | (2) Total water consumed (mm <sup>3</sup> )  | 0.5  |
|  | Percentage of total water consumed in regions with High or Extremely High Baseline Water Stress <sup>2</sup>   | 51.0%  |
| IF-EU-140a.2   | Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations <sup>3</sup>                                   | RBR Page 13<br>CDP Water   |
| IF-EU-140a.3   | Description of water management risks and discussion of strategies and practices to mitigate those risks <sup>3</sup>  | RBR page 13<br>CDP Water   |
| <b>Coal Ash Management</b>                                     |  |  |
| IF-EU-150a.1   | Amount of coal combustion residuals (CCR) generated, percentage recycled   | N/A  |
| IF-EU-150a.3   | Description of coal combustion residuals (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment                        | N/A  |
| <b>Energy Affordability</b>                                    |  |  |
| IF-EU-240a.1 <sup>4</sup>                                      | Average retail electric rate for: (1) residential (\$/kWh)   | (1) \$0.28   |
|  | Average retail electric rate for: (2) commercial (\$/kWh)  | (2) \$0.18   |
|  | Average retail electric rate for: (3) industrial customers (\$/kWh)  | (3) \$0.21   |



## Electric Utilities & Power Generators Standard continued

| Code                                   | SASB Accounting Metric  | National Grid Disclosure  |
|--|---|---|
| IF-EU-240a.3 <sup>4</sup>              | (1) Number of residential customer electric disconnections for non-payment  | 51,427  |
|  | (2) Percentage reconnected within 30 days   | 72.4%   |
| IF-EU-240a.4                           | Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory | In the UK and US our market fundamentals team model and forecast customer bills under several scenarios. In the UK and US National Grid is a highly regulated business and have limited influence/control over customer bills, as customer bills are moderated by the respective regulators. In our Responsible Business Charter, our commitment is to support a fair and affordable transition. We have committed to support an affordable energy transition, by reporting on the benefits provided as a direct result of our community support, including financial assistance, advice and energy efficiency measures. National Grid prioritise low income and most vulnerable customers. This includes our energy support fund and support packages. In November 2022 we pledged £50 million in the UK and \$17 million in the US to help some of the hardest hit households over the winter. In December 2023, £11.3 million of this was disbursed to UK partners between December 2023 and January 2024. In the US, approximately \$7.1 million and \$1.8 million was committed to partners in 2022/23 and 2023/24, respectively. We also work with charity partners, via an energy support fund, which provide emergency financial relief to households, funding energy-efficiency measures to help lower bills over the longer term and providing advisory services. |
| <b>Workforce Health &amp; Safety</b>   |   |   |
| IF-EU-320a.1                           | (1) Total recordable incident rate (TRIR)   | 0.813   |
|  | (2) Fatality rate   | 0.0064  |
|  | (3) Near miss frequency rate (NMFR)   | 2436  |
| <b>End Use Efficiency &amp; Demand</b> |   |   |
| IF-EU-420a.2 <sup>5,6</sup>            | Percentage of electric load served by smart grid technology   | UK:<br>NGET: 100%<br>NGED: 100%<br>US ANU Electric Meters:<br>MA: 13,615 meters (0.93%)<br>NY: 119,226 meters (6.82%)   |
| IF-EU-420a.3 <sup>4,7</sup>            | Customer electricity savings from efficiency measures, by market (annual MWh)   | NY: Gross Annual MWh 379,514, Clean Heat Gross Annual Equivalent MMBtu 217,968<br>MA: Net Annual MWh 154,137  |



## Electric Utilities & Power Generators Standard continued

| Code   | SASB Accounting Metric  | National Grid Disclosure   |
|--|---|--|
| <b>Nuclear Safety &amp; Emergency Management</b> |   |  |
| IF-EU-540a.1                                     | Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column | N/A  |
| IF-EU-540a.2                                     | Description of efforts to manage nuclear safety and emergency preparedness  | N/A  |
| <b>Grid Resiliency</b>                           |   |  |
| IF-EU-550a.1                                     | Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations                 | 0  |
| IF-EU-550a.2 <sup>4</sup>                        | (1) System Average Interruption Duration Index (SAIDI)  | NMPC: 112.20; MECO: 97.35; NANT: 36.76 minutes   |
|  | (2) System Average Interruption Frequency Index (SAIFI)   | NMPC: 0.92; MECO: 0.70; NANT: 0.21 interruptions   |
|  | (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days                           | NMPC: 186.00; MECO: 328.11; NANT: 174.57 minutes   |
| <b>Activity Metrics</b>                          |   |  |
| IF-EU-000.A <sup>4</sup>                         | Number of: (1) residential customers served   | (1) 1,983,912  |
|  | Number of: (2) commercial customers served  | (2) 186,765  |
|  | Number of: (3) industrial customers served  | (3) 1,614  |
| IF-EU-000.B <sup>4</sup>                         | Total electricity delivered to: (1) residential customers (MWh)   | (1) 13,942,896   |
|  | Total electricity delivered to: (2) commercial customers (MWh)  | (2) 4,872,495  |
|  | Total electricity delivered to: (3) industrial customers (MWh)  | (3) 1,020,902  |
|  | Total electricity delivered to: (4) all other retail customers (MWh)  | (4) 31,296,574   |
|  | Total electricity delivered to: (5) wholesale customers (MWh)   | (5) 3,102,800  |
| IF-EU-000.C                                      | Length of transmission and distribution lines (km)  | NGET: 7,219  |
|  |   | US ET: 13,683  |
|  |   | NGED: 229,150  |
|  |   | US ED: 108,154   |
| IF-EU-000.D                                      | Total electricity generated (MWh), percentage by major energy source, percentage in regulated markets             | Total electricity generated: 7,261,198<br>Natural gas generation: 4,630,679 (64%)<br>Fuel oil generation: 111,982 (2%)<br>Wind: 894,268 (12%)<br>Solar: 1,624,268 (22%)<br>100% National Grid's generation is within the US (a regulated market) |
| IF-EU-000.E <sup>4,7</sup>                       | Total wholesale electricity purchased (MWh)   | 21,440,439   |



# Gas Utilities & Distributors Standard – US only

| Code                              | SASB Accounting Metric  | National Grid Disclosure   |
|-----------------------------------|---|--|
| <b>Energy Affordability - Gas</b> |   |  |
| <b>IF-GU-240a.1</b>               | Average retail gas rate for: (1) residential customers (\$/MMBtu)   | (1) \$16.25  |
|                                   | Average retail gas rate for: (2) commercial customers (\$/MMBtu)  | (2) \$11.95  |
|                                   | Average retail gas rate for: (3) industrial customers (\$/MMBtu)  | (3) \$10.77  |
|                                   | Average retail gas rate for: (4) transportation services only (\$/MMBtu)  | (4) \$4.75   |
| <b>IF-GU-240a.3</b>               | (1) Number of residential customer gas disconnections for non-payment   | 48,689   |
|                                   | (2) Percentage of disconnections that are reconnected within 30 days  | 65%  |
| <b>IF-GU-240a.4</b>               | Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory | <p>In the US our market fundamentals team model and forecast customer bills under several scenarios. In the US National Grid is a highly regulated business and have limited influence/control over customer bills, as customer bills are moderated by the respective regulators.</p> <p>In our Responsible Business Charter, our commitment is to support a fair and affordable transition. We have committed to support an affordable energy transition, by reporting on the benefits provided as a direct result of our community support, including financial assistance, advice and energy efficiency measures. National Grid prioritise low income and most vulnerable customers. This includes our energy support fund and support packages. In November 2022 we pledged \$17 million in the US to help some of the hardest hit households over the winter. In December 2023, in the US, approximately \$7.1 million and \$1.8 million was committed to partners in 2022/23 and 2023/24, respectively. We also work with charity partners, via an energy support fund, which provide emergency financial relief to households, funding energy-efficiency measures to help lower bills over the longer term and providing advisory services.</p> |
| <b>End Use Efficiency - Gas</b>   |   |  |
| <b>iF-GU-420a.2<sup>7</sup></b>   | Customer gas savings from efficiency measures by market (annual MMBtu)  | <p>MA: CY23 Gross Annual MMBtu 1,925,786</p> <p>NY: CY23 Net Annual MMBtu 2,879,096</p>  |



## Gas Utilities & Distributors Standard – US only continued

| Code  | SASB Accounting Metric   | National Grid Disclosure  |
|---|--|---|
| <b>Integrity of Gas Delivery Infrastructure</b> |  |   |
| IF-GU-540a.1                                    | Number of: (1) reportable pipeline incidents   | 2   |
|   | Number of: (2) corrective actions received   | 0   |
|   | Number of: (3) violations of pipeline safety statuses  | 8   |
| IF-GU-540a.2                                    | Percentage of distribution pipeline that is: (1) cast or wrought iron  | NY: 6.4%<br>MA: 13.5%   |
|   | Percentage of distribution pipeline that is: (2) unprotected steel   | NY: 13.3%<br>MA: 9.0%   |
| IF-GU-540a.3                                    | Percentage of gas: (1) transmission pipelines inspected  | N/A   |
|   | Percentage of gas: (2) distribution pipelines inspected  | 33.3% average annually  |
| IF-GU-540a.4                                    | Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions | We have developed and operate a Distribution Integrity Management Program (DIMP) to continuously identify integrity threats to safety and the environment, remediate, report and evaluate the progress. |
| <b>Activity Metrics</b>                         |  |   |
| IF-GU-000.A <sup>8</sup>                        | Number of: (1) residential customers served  | (1) 3,111,286   |
|   | Number of: (2) commercial customers served   | (2) 181,786   |
|   | Number of: (3) industrial customers served   | (3) 9,522   |
| IF-GU-000.B <sup>8</sup>                        | Amount of natural gas delivered to: (1) residential customers (MMBtu)  | (1) 242,417,000   |
|   | Amount of natural gas delivered to: (2) commercial customers (MMBtu)   | (2) 66,038,237  |
|   | Amount of natural gas delivered to: (3) industrial customers (MMBtu)   | (3) 8,740,259   |
|   | Amount of natural gas: (4) transferred to a third party (MMBtu)  | (4) 342,205,354   |
| IF-GU-000.C                                     | Length of gas: (1) transmission pipelines (km)   | N/A   |
|   | Length of gas: (2) distribution pipelines (km)   | 53,110  |

1. US air emissions are associated with our energy generation plants, all of which are located on Long Island and would be considered 'near to areas of dense population' according to the SASB definition.

2. Long Island, New York and London are considered to be regions with High or Extremely High Baseline Water Stress, according to WRI Aqueduct. This includes NGV's GenCo in New York, which makes up 50% of group consumption. National Grid are not a significant consumer of water.

3. We submit CDP Water Security questionnaire annually to CDP in August. Our submission can be viewed on the CDP website: <https://www.cdp.net/en/responses?utf8=%E2%9C%93&queries%5Bname%5D=national+grid>

4. Disclosure is representative of our US business only. Disclosure is not applicable to our UK business as the operations are not customer facing.

5. Our NGET and NGED networks are all smart grid as per the SASB definition, on the basis that the networks have bi-directional flows and use two-way communication and control capabilities.

6. In defining smart grid technology for the US, we have only considered advanced meter infrastructure (AMI).

7. The data reporting is based on the calendar year (1 Jan-31 Dec 2023), rather than financial year. This is due to regulatory reporting requirements in the US.

8. Per the SASB definition, a customer is defined 'as a meter billed for residential, commercial, and industrial customers'. We have excluded all customers not billed by us.



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