

Community Benefits Plan: Job Quality and Equity

National Grid's community engagement efforts are multi-faceted and encompass technological, environmental, social and economic impacts. This approach aligns with National Grid's vision to accelerate the clean energy transition and to ensure that the benefits from our projects flow to our customers and communities.

Future Grid, unlike traditional utility capital infrastructure projects, is a smart grid project with an emphasis on the deployment of innovative digital technology solutions that maximize the value of distributed energy resources (DER), such as solar and energy storage, for the benefit of the electric distribution system. Components, such as Enhanced FLISR-DER Integrations, are expected to improve reliability in communities across our service territory, and deployment schedules will be prioritized by reliability metrics and feeders located in disadvantaged communities (DACs).¹

If awarded US Department of Energy (DOE) funding, National Grid would allocate \$4 million for community benefit initiatives. This will ensure that Future Grid meets the Justice40 initiative priorities, and the overall charter set by the DOE. DOE funding will be used for delivering targeted benefits, which include improving energy resiliency, growing our talent pipeline of skilled energy workers, increasing supplier diversity, increasing access to clean energy, and reducing energy burden in our DACs.

1.0 COMMUNITY AND LABOR ENGAGEMENT

National Grid's long-standing relationships with communities and labor organizations are the foundation of our community benefits plan. We have designated stakeholder specialists in Government, Business Development, Workforce Development, Labor Relations, and Customer & Community Management—all of whom currently work with community partners on various initiatives in their respective regions of our service territory.

National Grid's electric service territory spans urban industrial cities and rural farming towns, which include both affluent and historically disadvantaged communities in Upstate New York (NY) and Massachusetts (MA). Listening to our communities helps us to better understand their priorities, which vary by town and region. Our Community & Customer Management teams have begun engaging with local government officials, workforce development and training centers, community colleges, and local chambers of commerce, particularly in our DACs, to better understand our communities' priorities and to integrate them into our Future Grid community benefits plan.

DOE funding enabled by the Future Grid project will not only be used to support programs and activities, but also to augment our current efforts to gather and integrate stakeholder feedback into the planning, delivery and tracking of the benefits of these programs to our communities.

¹ DACs were identified using the White House Council on Environmental Quality's Climate and Economic Justice Screening Tool.

National Grid will use an adaptive approach, which relies on collecting data inputs and regular feedback from our communities, to modify our programs, as needed, in order to improve their effectiveness over time. See **Figure 1** (below).

Figure 1 – Community Benefits Plan Approach



National Grid utilized a two-pronged approach to identify community benefit programs and initiatives that align with the goals of the Future Grid project. Initiatives listed in **Table 1** are described throughout this document.

Table 1 – Future Grid Community Benefit Initiatives

	Category	Rationale	Initiatives	Community Benefits
1	Continue or enhance existing initiatives	Continue or enhance initiatives that have proven to be successful, with greater emphasis on DACs and diversity, equity, inclusion and diversity (DEIA) principles to deliver on Future Grid commitments	<ul style="list-style-type: none"> - Project C - Grid for Good - Upskilling Management and Diverse Leaders programs - Charging Our Future DEI Engineering Scholarship - Training for Minority Business Enterprises (MBEs) - Expanded Solar for All - The Grid Collective 	<ul style="list-style-type: none"> - Greater community engagement - Reduced energy burden - DEIA impact - Workforce development in DACs with focus on growing pipeline of diverse and minority candidates - Improved energy efficiency, reliability, and resiliency in DACs - Increased vendor and supplier diversity
2	Develop net new initiatives	Develop new initiatives that deliver on Future Grid commitments	<ul style="list-style-type: none"> - Energy Infrastructure Academy - Energy Mangers to address targeted energy needs in specific DACs 	<ul style="list-style-type: none"> - Greater community engagement - Reduced energy burden - DEIA impact - Workforce development in DACs with focus on growing pipeline of diverse and minority candidates - Improved energy efficiency, reliability, and resiliency in DACs

The success of our initiatives will depend in part on the structure and capabilities of the project team and a clear delineation of roles and responsibilities. The project team will have dedicated resources responsible for project management and implementation, as outlined in Section 4.1

of the Technical Volume, which will include a benefits analyst, who will perform data-driven analysis, and tracking and reporting of project performance and benefits to our communities.

The benefit analyst's primary responsibility will be to establish an evaluation framework for obtaining and analyzing community inputs or data from different channels, including surveys and bi-yearly focus groups. The benefits analyst will work with National Grid community benefits program delivery teams to ensure that the program design and implementation approach are evaluated periodically and modified, as needed, based on the feedback received from community stakeholders and the performance of our programs and initiatives.

The following sections will describe National Grid's stakeholder engagement initiatives, our community and labor engagement strategy, and plans for agreements with community-based organizations (CBOs).

1.1 Community Input and Social Buy-in

National Grid's Community & Customer Managers have regular touchpoints with key community representatives from local and state governments, workforce development organizations, community colleges, local chambers of commerce, and other community-based organizations (CBOs). A few examples of the specific channels for community engagement employed by the Community & Customer Management teams include:

- a. Energy Fairs - Community & Customer Management teams regularly organize energy fairs in community centers to provide information to low-and moderate-income customers in DACs about ways to help them lower and manage their energy bills and to connect them to additional resources and services available to them through community action agencies.
- b. "Project C" Community Programs - In 2021, National Grid launched "Project C" in NY to create a more equitable future for the communities we serve. To date, through Project C, we have engaged over 100 community partners and 6,000 small businesses and committed \$5.5 million to local communities around the following four pillars: Workforce Development, Environmental Justice & Social Equity, Clean Energy & Sustainability, and Community Engagement & Neighborhood Investment Programs. Following its success within our communities in NY, Project C is expected to launch in MA in 2023 to expand and formalize our existing commitments to DACs and community partners.
- c. Distributed Generation Seminars – National Grid hosts quarterly seminars related to distributed generation (DG) interconnection process, which are attended by solar, energy storage and EV charging developers. The seminars are an opportunity to provide DER developers technical information about the interconnection process, and best practices to avoid any potential delays in their request. Additionally, National Grid provides information about available DG program offerings and incentives. If funding were awarded for Future Grid, National Grid would leverage these seminars to share information about new program offerings for Enhanced FLISR-DER Integrations and Network-Adaptive DER Connections to encourage enrollment.

National Grid will continue to use these established engagement channels to develop and implement our commitments with community partners, and to monitor and evaluate the community impact of the Future Grid project. ***National Grid has discussed our community development plan commitments with several community partners in our DACs in NY and MA, who have provided letters expressing support in advancing the community impact agenda of the Future Grid project.***

1.2 Community Workforce Development Programs

Grid for Good

National Grid's "Grid for Good" program provides our communities access to multi-disciplinary and hands-on training and certification programs to enable fit with highly skilled roles. As of March 31, 2022, over 5,200 young people have been meaningfully impacted by the program and over 56 have gained job placements within National Grid. Federal funds from Future Grid will be used to expand our program in partnership with community training organizations that target students from DACs. Our key partners, who have extensive experience in workforce training programs that have led to high-quality jobs in the energy field, are listed below:

- Northland Workforce Training Center (NWTC): National Grid is in discussions with NWTC to support the expansion of its energy career training programs targeted at young adults from DACs in the Western NY region. National Grid has previously provided support to NWTC in the form of scholarships and the purchase of equipment and a school van.
- State University of New York Syracuse Educational Opportunity Center (SUNY Syracuse EOC): SUNY Syracuse EOC is partnering with National Grid to offer an 11-week program to train students to become Customer Meter Service Technicians and will continue discussions to expand apprenticeship and training programs targeted at young adults from DACs in the Central NY region.
- Hudson Valley Community College (HVCC): National Grid and HVCC are planning to launch a scholarship program to increase diversity in student enrollment in HVCC's Overhead Electric Line Worker certification program and Electrical Construction and Maintenance degree program.

All the above organizations have provided letters that are expected to lead into formal partnership agreements if the Future Grid project were awarded grant funds.

Energy Infrastructure Academy

In March 2023, National Grid launched its first Energy Infrastructure Academy (EIA) pilot in partnership with local schools and workforce development centers to provide training and support to develop the relevant skills required to fill high-quality jobs in the energy industry. This program targets diverse candidates over 18 years old that are unemployed or underemployed and come from DACs. The EIA will include 200+ hours of paid training, including a 3-week mini-co-op at a National Grid operations business unit and will prepare diverse candidates for entry-level to mid-level union roles with National Grid. If the pilot proves to be

successful, National Grid will use DOE funds to scale-up the EIA program to 4 cohorts per year, to train up to **60 students per year**.

National Grid has prioritized the establishment of the EIA program in DACs in MA, which include Boston, Lowell, Lawrence, Worcester, Fall River, and Brockton. ***We have obtained preliminary partnership documentation from three CBOs, focusing on DACs in Worcester and Boston, as listed below:***

- Roxbury Community College (RCC): Eighty percent of RCC's students are people of color, and in 2021 the US Department of Education classified the community college as a Predominately Black Institution, or PBI, in Boston, MA.
- Training Resources of America (TRA): TRA is a non-profit workforce development organization in Worcester, MA. Seventy percent of TRA's participants are people of color, and EIA participants will be reflective of the diverse communities and the neighborhoods in Worcester TRA serves.
- Worcester Technical High School (Worcester Tech): Worcester Tech is a public vocational technical high school in Worcester, MA. Worcester Tech has committed to ensure that 100% of the students participating in the EIA program will be Worcester residents, exponentially increasing meaningful employment opportunities in DACs.

1.3 Energy Burden Reduction Programs

Based on National Grid's past engagement with members of our DACs, it is clear that energy burden remains one of the top concerns of our customers. Some of our most vulnerable customers in MA face energy burdens as high as 44%, with the corresponding figure being 35% in NY. A dedicated **Energy Manager** can work in DACs to develop an energy management plan and identify solutions to reduce energy burden. For example, an Energy Manager could increase access to bill discount programs in non-English speaking minority communities; apply for federal or state grants for energy efficiency retrofits; or set up community choice retail supply programs. With DOE funding, National Grid proposes to designate Energy Managers in NY and MA assigned to support certain DACs over a three-year period. National Grid has had some preliminary discussions to define the role and responsibilities of an Energy Manager and is developing a framework for prioritizing various DACs based on the need for energy management resources, the level of energy burden, and the potential for energy burden reduction.

Future Grid will facilitate the accelerated deployment of DER, and indirectly impact and enhance other existing programs directed at lowering energy burden. For example, National Grid partners with New York State Energy Research & Development Authority (NYSERDA) to run the **Expanded Solar For All (ESFA) program**; a utility-administered, community solar program available to all income-eligible customers in our NY electric territory. The ESFA program will enroll up to 600MW of solar capacity and is targeting \$10/month bill credits for all 170,000+

income-eligible customers in our New York electric territory. This will amount to more than \$500 million in bill savings for these customers over the next 25 years.

1.4 Accountability for Workers and Communities

The Future Grid project will deploy software-based solutions and some hardware upgrades requiring minimal physical construction. As such, National Grid does not expect this project to result in negative environmental impacts or create barriers to natural resources. Furthermore, the project is not expected to have any negative impact on our current workforce. On the contrary, Future Grid is expected to upgrade and expand National Grid's grid operations and to facilitate the deployment of additional clean energy resources across our NY and MA electric service territory, which will create demand for highly skilled jobs and supplier contracts in the energy industry. National Grid's workforce development programs and scholarships targeted at diverse and minority candidates and supplier diversity initiatives will increase access to these opportunities in DACs.

1.5 Labor Union Agreement

Future Grid will accelerate the integration of clean DERs, including solar and energy storage, into its distribution system operations. As such, this requires a trained workforce equipped with the skills required for the deployment of smart grid technologies and support an accelerated energy transition. National Grid will work with our union partners to plan initiatives that keep our represented workforce capable and ready to support the energy transition enabled by the Future Grid project. The International Brotherhood of Electric Workers (IBEW) will support a key foundational component of the Future Grid project, which includes the Fault Location, Isolation, Service Restoration (FLISR) field deployment. ***The IBEW— an important union partner in MA – has provided a letter of support for our Future Grid proposal.***

2.0 INVESTING IN THE AMERICAN WORKFORCE

2.1 Quality Jobs

Future Grid will deploy advanced grid integration software to unlock and maximize the value of DERs, such as solar and energy storage, for the benefit of the electric distribution system. Future Grid is an innovative concept that will require a skilled workforce and create high-quality jobs in NY and MA. This project will require nearly **180 full-time equivalents (FTEs)**, which will primarily consist of STEM-educated employees such as Product, Data, and Software Engineers, Solution Architects, or Data Scientists. Future Grid will prioritize STEM-focused workforce development programs that will provide diverse and minority candidates the opportunities to fill these roles both for Future Grid and in the future as the clean energy transition increasingly demands these skills.

2.2 Labor Agreements

National Grid's commitment to building an inclusive and diverse workforce and fostering an inclusive workplace where diversity is embraced is highlighted on our Responsible Business Charter. As one of the largest utilities in the Northeast, maintaining a skilled and equitable workforce is essential for taking care of our customers. National Grid employees participate in labor organizations and labor-organizing activities— 100% of National Grid's field force in NY and MA are union employees—and National Grid commits to collective bargaining with 19 unions.

2.3 Wages and Benefits

To provide safe, reliable, and efficient service to its customers, National Grid must attract, retain, and engage high performing, qualified personnel. To accomplish this, National Grid provides a total compensation package that recognizes and rewards excellence, maintains fair and competitive market pay and benefits for employees, and encourages employees to improve skills while providing a safe working environment. National Grid has developed a "Total Rewards Program" to provide employees with an overall compensation, benefits, and pension package that is market competitive, offers flexibility and choice, and supports a high-performance culture by directly linking performance to rewards.

2.4 Responsible Employer

Future Grid will support and accelerate National Grid's existing commitments to be a responsible employer. The following are examples of existing public commitments that this project will support:

- Ensure fairness of pay across the organization and ensure pay practices do not show bias
- Achieve at least 50% diversity in all our new talent programs as well as in our Senior Leadership Group by 2025
- Develop skills for the future, with a focus on lower income communities, providing access to skills development for 45,000 people by 2030
- Accelerate improvements workplace safety and health plan
- Provide unconscious bias training to all employees.
- Report transparently on energy costs throughout the energy transition; on average costs per household for electric and gas territories

2.5 Labor Violations

National Grid has not had any violations within the past two years under the National Labor Relations Act, Fair Labor Standards Act, Occupational Safety and Health Act, Service Contract Act, Davis-Bacon Act, or Title VII of the Civil Rights Act. The company has approximately 9,400 employees who are members of 19 unions.

2.6 Health and Safety

The health, safety, and well-being (HSW) of all employees and contractors is National Grid's primary concern and a key priority. We engage extensively with our workforce on HSW topics

and conduct annual surveys relating to safety arrangements with the aim of including our workforce and representatives' perspective in the design and implementation phases of the policy planning. Future Grid will fully integrate HSW matters into all training and competence assessments, and we will work collaboratively with labor unions on this topic. The project team will hold Safety Policy Committees (SPCs) meetings, on a monthly or quarterly basis, to engage with unions on a range of safety topics and consult on policy introductions or changes.

2.7 Workforce Planning

National Grid has implemented a robust workforce planning strategy that spans across its business units and across operations in NY and MA. The company builds its workforce planning strategy using a comprehensive workforce planning framework, which leverages detailed workforce supply analytics, such as attrition and retirement forecasts. The framework is also used by business units along with their planned workforce demand projections to build a comprehensive plan. By developing this 10-year outlook, National Grid is able to proactively build its workforce of the future, including hiring resources prior to retirement. National Grid is confident that it has the workforce planning analytics and processes in place to enable business continuity, including business operations directly related to smart grid investments.

3.0 ADVANCING DIVERSITY, EQUITY, INCLUSION AND ACCESSIBILITY (DEIA)

As one of the largest utilities in the Northeast region, cultivating and maintaining a skilled, diverse, and equitable workforce is essential to serving customers. National Grid works to increase gender and racial-based representation at all levels—from field representatives and technical staff to senior leadership. National Grid aims to achieve 50% diversity in all our new talent programs by 2025 as well as the Senior Leadership Group and provide unconscious bias training to all our people over the next year. Through local programs, councils, committees, and volunteering opportunities we aim to elevate not only our diversity hiring efforts but also diversity, equity, inclusion and accessibility (DEIA) “metrics” of our current employees.

3.1 DEIA Programs for Current Employees

With the aim of increasing education around DEIA for people managers and leaders in the company, National Grid is implementing two programs targeted at our current employees: the Upskilling Management Program and the Diverse Leaders Program.

3.2 Upskilling Management Program

The Upskilling Management Program will focus on providing training for people managers in DEI related topics (e.g., Unconscious Bias, Inclusive Leadership, Equity) and will include targeted sessions on Disability Inclusion, Racial Equity, LGBTQ+ Inclusion, and Gender Equity. We will partner with the Center for Disability Inclusion, Diversity@Work and individual consultants to ensure a **minimum 12 hours of annual DEI related training for 95% of all people managers**. National Grid aims that by 2028, **employee engagement scores related to DEI will increase by**

at least 10% in comparison to the best score in 2024. We will measure this program's impact by tracking employee engagement scores.

3.3 Diverse Leaders Program

National Grid will deploy the Diverse Leaders Program, in partnership with GP Strategies, to focus on the career growth of diverse leaders and build their leadership capabilities. Through the five-year performance period, National Grid will 1) run two programs of 25 participants every 6 months, 2) follow participants careers for 3 years to measure for promotion/ advancement, 3) provide ongoing support, mentoring, and sponsorship of participants, 4) chart high-potential participants and ensure they are included on succession plans, and 5) measure retention rates every year after completion.

3.4 DEIA Programs for Talent Acquisition

As mentioned in Section 1.4 – Accountability for Workers and Communities, National Grid recently launched its Energy Infrastructure Academy pilot. If successful, National Grid plans to scale up the program to provide hand-on and classroom training to approximately 300 candidates over five years. **Eighty percent of these candidates are expected to come from DACs or represent a minority group** that is underrepresented in the energy workforce.

In addition, Future Grid will support the recently launched "**Charging Our Future DEI Engineering Scholarship Program**", an engineering scholarship program for diverse college students pursuing a STEM or Engineering degree. National Grid has initially committed \$2M per year over the next six years (2022 to 2028 school years) to help fund selected diverse students' STEM degrees. Eligible candidates must be high school seniors or graduates and come from a home with a household income of less than 80% of HUD median. Selected recipients will receive \$10,000 for each year of study and a paid summer internship at National Grid to gain hands-on and real-world experience in the energy industry. National Grid plans to hire over 100 engineers in the next five years; 40 of which will be expected to come from this program upskilling diverse and minority candidates to become workforce ready.

3.5 Minority Business Enterprise (MBE) Development Programs

National Grid's Global Supplier Diversity Policy outlines the company's commitments to DEI in the supply chain and within all aspects of our business units. National Grid has a number of initiatives that support development of minority business enterprise (MBE) to increase vendor and supplier diversity. National Grid plans to launch "**The Grid Collective**" – a workforce and vendor development program for MBEs and minority individuals in weatherization, solar/wind, energy efficiency and DER projects in NY. This program will provide a 2–6-month long training and technical certification opportunities for new and existing vendors.

National Grid also has strong relationships with the Minority Supplier Development Councils in NY and MA. National Grid currently hosts informational webinars about doing business with National Grid. Through the Councils, we plan to host workshops focused on business or finance

planning intended to upskill our suppliers, build out our vendor pipeline, and promote industry best practices. Additionally, National Grid is considering planning a “**National Grid Minority Supplier Showcase**”, which would be an in-person event that would bring together MBEs for panel discussions and listening sessions to better understand what suppliers’ and vendors’ needs as well as one-on-one meetings with National Grid’s Procurement Team.

In addition, National Grid has a pre-agreement for partnership with two CBOs focused on training and development of minority suppliers:

- New York/ New Jersey Minority Supplier Development Council
- New England Minority Supplier Development Council

4.0 THE JUSTICE40 INITIATIVE

National Grid will track the benefits associated with our commitments to the Future Grid project to ensure that 40% of the overall benefits will flow to DACs. We have developed a preliminary plan for identifying impacted communities, and metrics to track commitments and progress on initiatives which include: (i) metrics that report progress on our initiatives, and (ii) metrics that measure the real impact of our initiatives on DACs. The task of measuring a utility’s impact on communities is a complex exercise, and National Grid may not be able to do this alone. The project team, which includes a benefits analyst, will work with the Community & Customer Management, Supplier Diversity, and Workforce Development teams across National Grid to partner, as needed, with state and regional development organizations and social research organizations to develop tools that establish baselines and track the impact on our communities. **Table 2** lists the key benefits that are expected to flow to DACs due to Future Grid project.

Table 2 – Justice40 Benefits from Future Grid

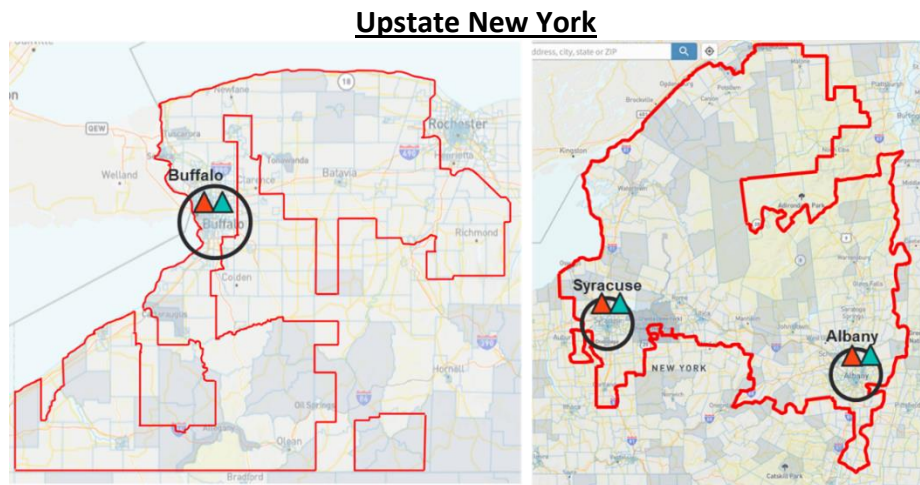
Benefit	Communities Impacted	Measure/ Data Point
Decrease energy burden	To be determined based on implementation of Energy Manager initiative and customer enrollment in Expanded Solar For All program	To be determined
		Number of low-income customers enrolled in ESFA
Decrease environmental exposure and burdens	All communities in National Grid’s electric service territory	Air quality (data tracked by EPA)*
Increase access to low-cost capital	To be determined	To be determined
Increase job creation and job training for individuals	DACs in National Grid’s service territories across Upstate NY (Albany, Syracuse, Buffalo in the initial implementation) and MA (Worcester, Boston in the initial implementation)	Number of people trained and employed in high-skilled jobs
		Wages and benefits in comparison with prevailing wages in our geographies
Increase clean energy enterprise creation and contracting	MBEs across our NY and MA service territory, targeting MBEs in DACs	Number of MBE vendors/ suppliers impacted by outreach, engagement, and training

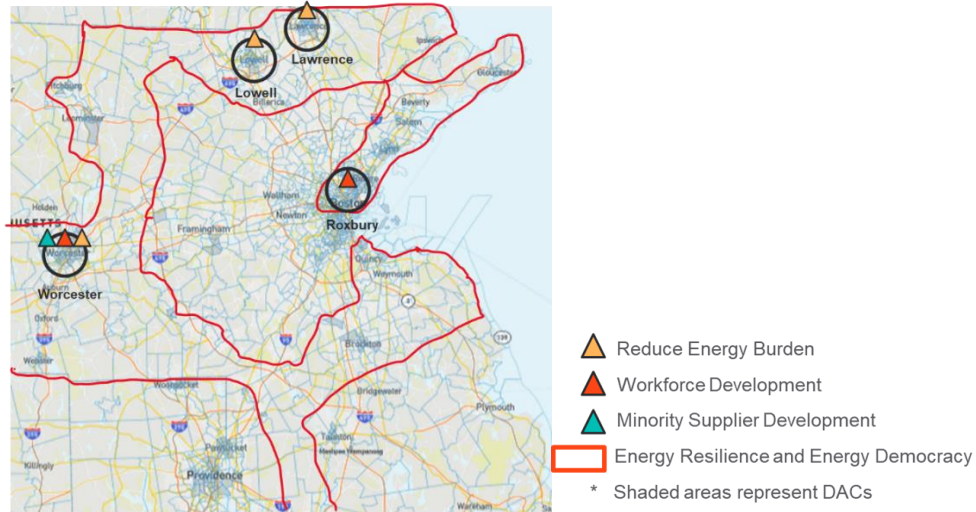
Increase energy democracy, including community ownership	All communities in National Grid's electric service territory will benefit with improved interconnection processes. Specific focus on DACs will be accelerated through ESFA and based on implementation of Energy Manager initiative	To be determined
Increase energy resilience	All customers in National Grid's electric service territory, targeting DACs where FLISR-DER integration is deployed	Reliability metrics such as SAIDI
Increase parity in clean energy technology access and adoption	All communities in National Grid's electric service territory	Number of DERs deployed

*Note: DER deployment enabled by the Future Grid project may reduce environmental exposure over a longer term and may not be necessarily visible during the project performance period.

As shown in **Table 2**, benefits from Future Grid are expected to flow to multiple DACs across National Grid's NY and MA service territory. The list of prioritized DACs will evolve as we finalize our implementation plans for various initiatives and commitments – such as the “Energy Manager” initiative or the activities planned in partnership with “Minority Supplier Development Councils”. National Grid's commitments discussed in our Future Grid community benefits plan overlap with DACs in Upstate NY, which include Buffalo, Syracuse and Albany and in MA, which include Lawrence, Lowell, Worcester and Roxbury. See maps below in **Figure 2**.

Figure 2 – Future Grid Community Benefits Locations



Massachusetts**5.0 COMMUNITY BENEFITS PLAN MILESTONES**

National Grid has developed a workplan to ensure successful implementation of our community benefit initiatives. It is prudent to note that our workplan will need to be flexible as we receive new input and feedback from our various community partners and adjust our strategies to maximize impact to our DACs. Our approach will be guided by the objectives and milestones that we have set for ourselves. While we expect to develop a more detailed set of milestones, **Figure 3** outlines preliminary milestones, including SMART milestones for our project.

Figure 3 – Future Grid Community Benefits Workplan

Task	FY25 (Apr. 24 - Mar 25)	FY26 (Apr. 25 - Mar 26)	FY27 (Apr. 26 - Mar 27)	FY28 (Apr. 27 - Mar 28)	FY29 (Apr. 28 - Mar. 29)
4.1 Community and Labor Engagement		Bi-yearly Focus Group discussions with selected DACs			
Energy burden reduction programs			Appoint minimum 1 Energy Manager	Identify additional communities to benefit from an Energy Manager	
4.2 Workforce Development					
Workforce Development – Grid for Good					
4.3 DEIA				Training provided to > 200 candidates from diverse background or DACs	
DEIA targeted Workforce Development – Energy Infrastructure Academy		EIA program established at minimum 2 schools			Minimum 100 candidates employed into well-paying energy jobs
Supplier Diversity Programs			Host a Minority Supplier Event	>60% of the allocated funds spent on the program	
DEIA programs for current employees		Establish implementation plan with partner organizations	Over 50% of people managers complete 12 hours of annual DEI related training	Employee engagement scores related to DEI increase by > 10%	Improved promotion or hiring rates for underrepresented groups
4.4 Justice40 Initiative					
Impact assessment		Reporting on % project impact flow to J40 communities			

★ Milestone
 ◇ SMART Milestone
 ◆ Yearly recurring SMART Milestone