AVANGRID SASB Report

Sustainability Accounting Standard Board

For the year-ended December 31, 2019

AVANGRID

Committed to: SDG

June 2020

AVANGRID SASB REPORT 2019

ABOUT THIS REPORT:

AVANGRID is a leading sustainable energy company with assets and operations in 24 states. AVANGRID has two primary lines of business - Avangrid Networks and Avangrid Renewables. Avangrid Networks owns eight electric and natural gas utilities, serving approximately 3.3 million customers in New York and New England. Avangrid Renewables owns and operates 8.1 GW of electricity capacity at the end of 2019, primarily through wind power, with a presence in 22 states across the United States.

The table below contains topics identified in the standard **ELECTRIC UTILITIES & POWER GENERATORS** Sustainability Accounting Standard. This report covers the following AVANGRID Companies: **AVANGRID RENEWABLES, CENTRAL MAINE POWER, NEW YORK STATE ELECTRIC & GAS, ROCHESTER GAS & ELECTRIC, UNITED ILLUMINATING**. Additional information can be found in Avangrid's 2019 Sustainability Report and 2019 10-K form.

ELECTRIC UTILITIES & POWER GENERATORS

SASB Code	Accounting Metric	Response
Greeen Gas House Emissions & Energy Resources Planing		
IF-EU-110a.1	Gross global Scope 1 emissions	1,934,393 metric tons CO_2 equivalent. Scope 1 (per GHG protocol) - Direct emissions from sources of GHGs that are owned or controlled by the company: GHG emissions from electricity generation, methane leaks from gas distribution networks, SF6 fugitive fleet emissions, fuel consumption in buildings and Company fleet vehicles.
	Percentage covered under emissions-reporting regulations	97 % (emissions from electricity generation, methane leaks and SF6 fugitives). Fuel consumption in buildings and company fleet not covered
IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	7,418,473 metric tons CO2. These emissions are calculated as the emissions of the power that was purchased from a third-party for sale to end users, subtracted by the power owned by the entity.
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	TARGETS a) Reduce the intensity of carbon dioxide (CO2) emissions from our electric generation by 25% by the end of the year 2020 compared to a year 2015 baseline, and to be carbon neutral by the end of the year 2035. b) Continue to focus on renewable energy, targeting an increase in renewables installed capacity of more than 30% by the end of the year 2020 compared to a year 2015 baseline.
IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	2.2 million electric customers.
Air Quality		
IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	(1) NOx: 183 metric tons (2) SO2: 6 metrix tons (3) PM: 23 metric tons (4) Lead: 0 (5) Mercury: 0

SASB Code	Accounting Metric	Response
Water Management		
IF-EU-140a.1	(1) Total water withdrawn (thousands of cubic meters)	3,709,797 m3 (98% treated wastewater)
	(2) Total water consumed (thousands of cubic meters)	2,213,152 m3
IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	0
IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	The water is predominantly used in the steam cooling process at Klamath, our combined cycle co-generation plant in Oregon. Klamath Cogen produces both electricity and steam. Recycled municipal wastewater supplied by a treatment plant is used for cooling, and approximately two thirds evaporates. With 90% of AVANGRID's installed capacity being wind and solar that do not need water to generate electricity, we have one of the lowest water use intensities per MWh generated in the United States (177 m3/GWh). The company makes no withdrawals that significantly affect water resources or habitats associated with water withdrawal points.
Coal Ash Management		
IF-EU-150a.1.	Amount of coal combustion residuals (CCR) generated, percentage recycled	Not applicable. Avangrid does't own or operate coal-fired power plants
IF-EU-150a.2.	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	Not applicable. Avangrid does't own or operate coal-fired power plants

SASB Code	Accounting Metric	Response
Energy Affordability		
IF-EU-240a.1.	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	UI: (1) Residential = $0.253/kWh, (2) Commercial = $0.185/kWh, (3) Industrial = $0.177/kWh NYSEG: (1) Residential = $0.1126/kWh, (2) Commercial = $0.0973/kWh, (3) Industrial = $0.0744/kWh RG&E: (1) Residential = $0.1285/kWh, (2) Commercial = $0.1147/kWh, (3) Industrial = $0.1088/kWh CMP: (1) Residential = $0.173 per kWh, (2) Commercial = $0.132/kWh, (3) Industrial = $0.106/kWh
IF-EU-240a.2.	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	UI: (1) Residential = $126.58/month, (2) Residential = $253.15/month NYSEG: (1) Residential = $60.91/month, (2) Residential = $105.60/month RG&E: (1) Residential = $67.20/month, (2) Residential = $111.84/month CMP: (1) Residential = $86.74/month, (2) Residential = $173.48/month
IF-EU-240a.3.	Number of residential customer electric disconnections for nonpayment, percentage reconnected within 30 days	Total for all utilities: 118,379
IF-EU-240a.4.	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	**NYSEG:** The service territory consists of a few small metropolitan areas, many small municipalities and a large rural segment. Population growth is slow or negative. Most of the economies in these areas have shown little growth and some have been classified as in recession or at-risk for a few years. Employment opportunities are limited. These problems are exacerbated by the COVID-19 pandemic, and many counties now have unemployment at higher than the statewide average of 15%. **RG&E:** The service territory includes a medium metropolitan area, surrounding suburbs and a large rural area. The Rochester economy has been flat for several years, though some recent investments point to possible limited improvement. Several major employers have seen significant downsizing in the last two decades. A large segment of the economy is education and health care, which is likely to be negatively affected by the COVID-19 pandemic. Current unemployment in the service territory is higher than the statewide average. **UI**: The state of Connecticut has a high cost of living that creates an affordability problem in areas of low-income customers in the urban areas of Bridgeport and New Haven. The Connecticut job market was sluggish compared to the neighboring states before the COVID-19 pandemic. Now, unemployment is at levels not since the Great Depression of the 1930's. The long-term effects of the pandemic will likely result in Connecticut continuing to experience low economic growth. **CMP:** Maine has steadily lost well-paying manufacturing jobs and replaced those jobs with lower paying service sector jobs. Also, Maine is the oldest state in the nation with many residents on fixed incomes. In 2020, Maine has seen high unemployment levels as a result of the pandemic, which exacerbates the difficulties customers may have in paying their bills.

SASB Report- Electric Utilities and Power Generators

SASB Code	Accounting Metric	Response
Workforce Health & Safety		
IF-EU-320a.1.	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	(1) Recordable incident rate: 3.57 (2) Work-related employee fatalities: 1 Work-related contractor fatalities: 0
End-Use Efficiency & Demand		
IF-EU-420a.1.	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	(1) 89% (2) 0%
IF-EU-420a.2.	Percentage of electric load served by smart grid technology	32% (percentage of electric customers with AMI or AMR equipment)
IF-EU-420a.3.	Customer electricity savings from efficiency measures, by market	TOTAL: 192,861 MWh Connecticut (UI): 60,806 MWh New York (NYSEG & RGE): 132,055 MWh
Nuclear Safety & Emergency Management		
IF-EU-540a.1.	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	Not applicable. Avangrid does't own or operate nuclear power plants
IF-EU-540a.2.	Description of efforts to manage nuclear safety and emergency preparedness	Not applicable. Avangrid does't own or operate nuclear power plants
Grid Resiliency		
IF-EU-550a.1.	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	In 2019, Avangrid companies had no incidents of non-compliance with the NERC Critical Infrastructure Protection (CIP) Standards that resulted in fines or penalties.
IF-EU-550a.2.	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	(1) SAIDI: 2.26 (2) SAIFI: 1.17 (3) CAIDI: 1.93

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The table below contains topics identified in the standard **GAS UTILITIES & DISTRIBUTORS** Sustainability Accounting Standard. This report covers the following AVANGRID Companies: BERKSHIRE GAS COMPANY, **CONNECTICUT NATURAL GAS, MAINE NATURAL GAS, NEW YORK STATE ELECTRIC & GAS, ROCHESTER GAS & ELECTRIC, SOUTHERN CONNECTICUT GAS**. Additional information can be found in Avangrid's 2019 Sustainability Report and 2019 10-K form.

GAS UTILITIES & DISTRIBUTORS

SASB Code	Accounting Metric	Response
Energy Affordability		
IF-GU-240a.1.	Average retail gas rate for (1) residential, (2) commercial, (3) industrial customers, and (4) transportation services only	1) CNG $13.4778 per mcf, SCG $13.8834 per mcf, NYSEG $10.15 per mcf,RG&E $8.77 per mcf 2) CNG $12.4979 per mcf, SCG $12.3329 per mcf, NYSEG $8.33 per mcf, RG&E $6.64 per mcf 3) CNG $6.7921 per mcf, SCG $7.1176 per mcf, NYSEG $7.16 per mcf, RG&E $5.56 per mcf 4) CNG $2.8198 per mcf, SCG $3.4723 per mcf, NYSEG $1.84 per mcf , RG&E $1.40 per mcf
IF-GU-240a.2.	Typical monthly gas bill for residential customers for (1) 50 MMBtu and (2) 100 MMBtu of gas delivered per year	1) CNG $69.57, SCG $68.33, NYSEG $55.17, RG&E $43.83 2) CNG $113.61, SCG $112.92, NYSEG $83.13, RG&E $71.05
IF-GU-240a.3.	Number of residential customer gas disconnections for nonpayment, percentage reconnected within 30 days	Total for all utilities: 34,734
IF-GU-240a.4.	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	See Indicator IF-EU-240a.4.
End-Use Efficiency		
IF-GU-420a.1.	Percentage of gas utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)	(1) 98% (2) 0%
IF-GU-420a.2.	Customer gas savings from efficiency measures by market	Connecticut: 386,305 Mcf Massachusetts: 38,861 dekatherms New York: 258,444 dekatherms

SASB Code	Accounting Metric	Response
Integrity of Gas Delivery Infrastructure		
IF-GU-540a.1.	Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)	RG&E had one reportable incident in 2019 – 64 Illinois St. No NYSEG or RG&E CAO or NOPV's (since by definition they are in accordance with Part 192 and not NY Part 255)
IF-GU-540a.2.	Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	(1) 6% (2) 2%
IF-GU-540a.3.	Percentage of gas (1) transmission and (2) distribution pipelines inspected	(1) RG&E: 2.79 miles (3%) NYSEG: 18.26 miles (89%) (2) Pipelines inspected can be taken from the annual DOT report. Zero miles distribution main inspected since no distribution pipe is included as part of the NYSEG/RG&E Integrity Management Program (ILI, PT or Direct Assessment).
IF-GU-540a.4.	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	Follow company Transmission Integrity and Distribution Integrity Management Programs
Activity Metrics		
IF-GU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	Total customers: 1,016,737 Residential: 918,868 Non residential: 97,869
IF-GU-000.B	Amount of natural gas delivered to: (1) residential customers, (2) commercial customers, (3) industrial customers, and (4) transferred to a third party	Total natural gas delivered: 206,663,000 dekatherms
IF-GU-000.C	Length of gas (1) transmission and (2) distribution pipelines	(1) Transmission: 127 miles (2) Distribution: 15,255 miles