

State Regulators Approve National Grid's Upstate NY Rate Agreement

Plan minimizes bill impacts, enhances affordability programs, advances clean energy

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The New York State Public Service Commission today approved a three-year rate agreement for National Grid's upstate New York customers that minimizes bill impacts, enhances energy affordability programs, targets key infrastructure investments to promote a cleaner, more resilient energy delivery system, and advances New York's renewable energy and emissions reductions goals. The agreement, which is effective Feb. 1, was reached with Department of Public Service Staff, IBEW Local 97, commercial and industrial customers, the New York Power Authority, and other parties.

"Our three-year investment plan reflects the input of a broad range of stakeholders and is an important step forward in advancing New York's clean energy future," said Bryan Grimaldi, National Grid's vice president of New York Corporate Affairs. "We worked hard to strike a balance between prioritizing customer energy affordability and ensuring resiliency – especially in light of the record number of damaging storms we've seen in upstate New York – while deferring other programs and initiatives that would add to our customers' bills."

Grimaldi noted that, as part of the agreement, National Grid has committed to delivering a portfolio of programs that focus on energy efficiency, heating alternatives, and new technologies to help customers manage their energy use across the company's 25,000-square-mile upstate New York service area. The agreement also offers new programs to support economically vulnerable customers and provides for an unprecedented set of commitments to advance New York's climate goals and reduce emissions.

Under the terms of the three-year agreement, average residential electricity customers who use 600 kilowatt-hours a month would see monthly bill increases of \$1.88 in the first year, \$1.88 in year two and \$2.23 in year three. Average residential gas customers who use 82 therms a month would see monthly bill increases of \$1.51 in the first year, \$2.37 in year two and \$2.56 in year three.

Among customer benefits included in the agreement:

A Continued Commitment to Supporting Customers and Communities

- Enhanced energy affordability programs and services, with annual funding increased to more than \$81 million.
- Historic investment in energy efficiency and demand response programs to help customers manage their energy use and bills, and deliver on New York's and [National Grid's clean energy goals](#).
- Ongoing COVID-19 assistance, including providing economic grants to businesses in need, promoting bill assistance options and further strengthening the expertise of our [Consumer Advocates](#), who assist the company's most vulnerable customers.

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- Prioritizing affordability and rate stability by using credits, efficiencies and other rate moderators over the term of the agreement. The agreement reflects more than \$35 million a year of efficiencies and productivity savings and applies nearly \$200 million of credits to offset costs.
- Continued deployment of economic development programs that support the upstate New York economy. Since 2003, National Grid has invested more than \$125 million in economic assistance, helping to create or retain more than 60,000 jobs and leverage nearly \$10 billion in other private and public investment.

Investments to Support Customer Reliability & Continued Strong Storm Response

- \$3.3 billion in capital investments to improve the safety, resiliency and reliability of National Grid's energy networks that serve more than 1.6 million customers.
- Investments to harden against increasingly frequent and severe weather events and enable continued strong storm response.
- A further optimized tree trimming strategy using additional analytics and new technologies.
- Support for storm restoration resources to minimize and shorten the duration of customer outages following major storms.

A Continued Commitment to [Net Zero](#) and the Clean Energy Future

Significant increases in additional clean energy solutions, including:

- \$800 million in funding for energy efficiency programs
- New non-pipes and non-wires alternatives
- Programs to promote heat pump and geothermal solutions, including a new \$1 million incentive program funded by shareholders for gas-to-heat pump conversions
- Partnering to demonstrate a multi-use, renewable hydrogen-based energy storage/delivery system
- Initiatives and investments to support the deployment of energy storage and electric vehicles
- Transmission investments to unlock renewable energy

National Grid's previous gas and electricity rate plans expired March 30, 2021. A proposal for new delivery rates was originally due in April 2020 but, given the impacts of the COVID-19 pandemic, the company decided to delay that filing until June 30, 2020. Subsequently, the company's proposal underwent thorough regulatory review with opportunities for public input, as well as nine months of negotiations with a broad range of stakeholders that led to the joint settlement agreement, which was submitted for approval on Sept. 27, 2021. The approved plan will run through June 30, 2024.

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About National Grid:

National Grid (NYSE: NGG) is an electricity, natural gas, and clean energy delivery company serving more than 20 million people through our networks in New York, Massachusetts and Rhode Island. National Grid is transforming our electricity and natural gas networks with smarter, cleaner, and more resilient energy solutions to meet the goal of reducing greenhouse gas emissions.

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