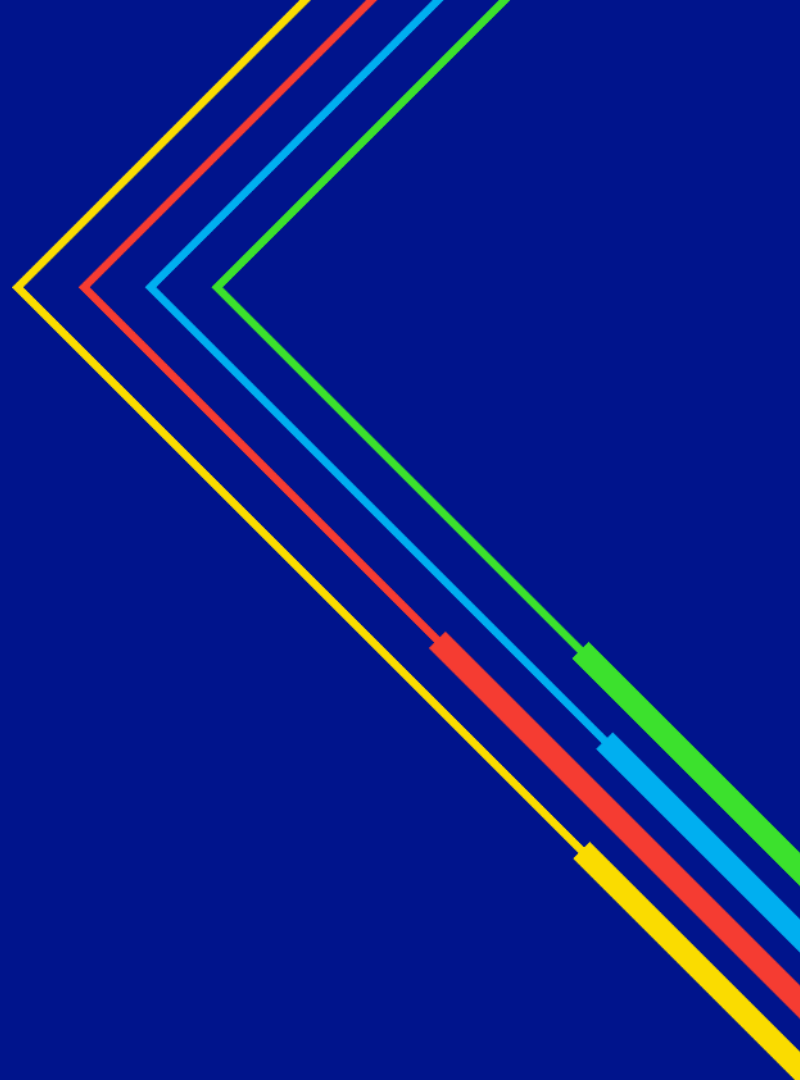


*A high-level view of our
proposal for new upstate
New York delivery prices
effective July 2021*

Public Statement Hearings - Fall 2020

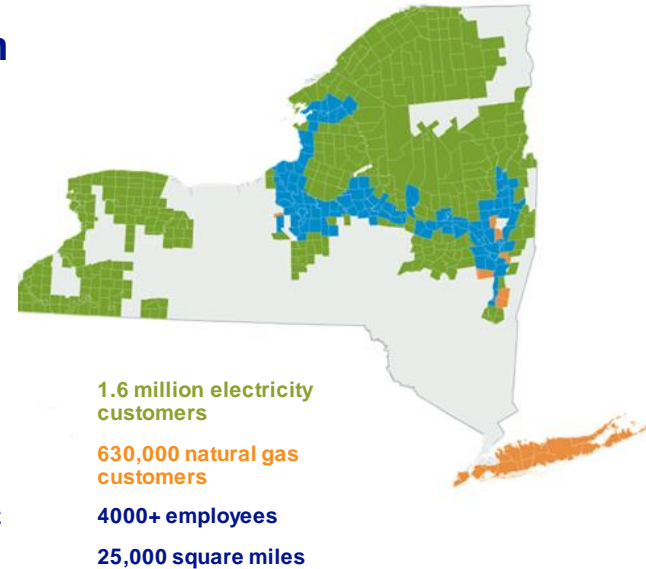


National Grid's commitment to our customers

To deliver on New York's ambitious climate goals as outlined in the Climate Leadership & Community Protection Act ...

- Electric – investing in our networks to enhance resiliency *and* create a sustainable and dynamic grid capable of supporting the transition to a clean energy future
- Gas – reducing methane emissions and promoting energy efficiency, demand response, renewable natural gas, and non-pipe alternatives *and* ensuring the safety and reliability of gas service

... while mitigating the impacts of COVID-19 on our customers, managing customer bills and supporting economic recovery



We recognize the challenging circumstances in which we are filing this rate case amidst the COVID-19 pandemic and are committed to working with the PSC Staff and other stakeholders to reach a multi-year rate agreement. In the coming weeks, the Company will be making a separate filing to propose up to \$50 million in COVID-19 customer assistance.

Our COVID-19 Assistance Programs

- Donated nearly \$1 million across New York to support hunger relief, human services agencies and others.
- Paused residential disconnections & fees, offering flexible payment plans
- Extensive customer outreach through emails, letters, traditional and digital media, webinars, and calls to provide information on managing energy bills, offer flexible payment/billing options, and provide details on financial assistance & energy savings programs.
- Offering the expertise of our Consumer Advocates to provide crisis intervention support for customers.
- Providing economic development support for businesses producing critical pandemic supplies

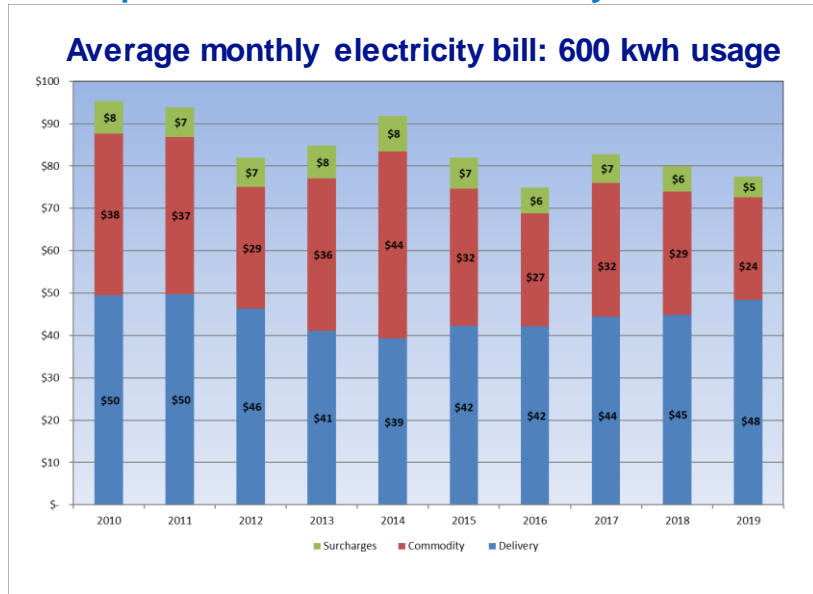


A closer look at customer bills

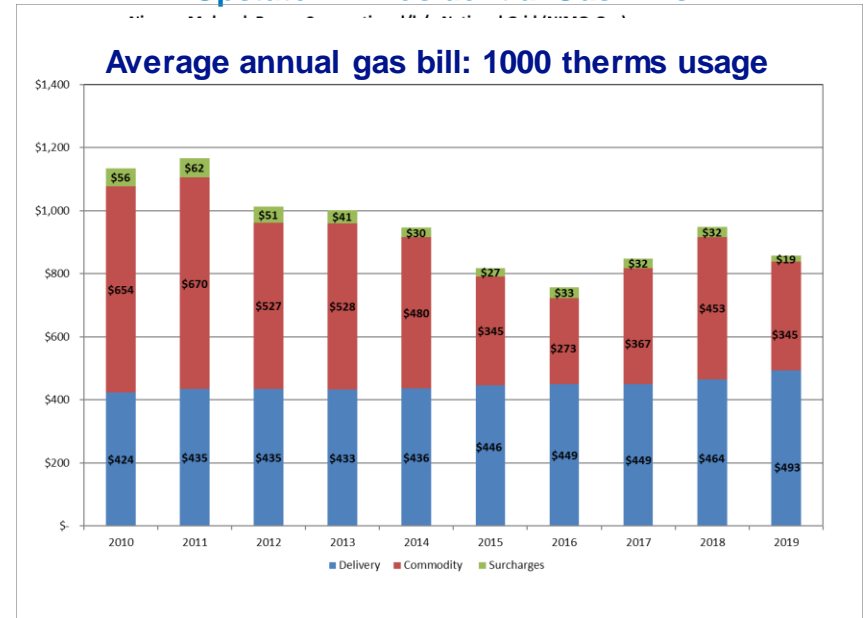
Total bills remain lower 2019 v. 2010

Adjusted for inflation, the combination of stable delivery rates and lower supply prices has resulted in total bills trending downward over the last 10 years. Average residential electricity bills are approximately 30 percent lower in 2019 than in 2010 and natural gas bills are 35 percent lower over the same time period.

Upstate NY Residential Electricity Bills



Upstate NY Residential Gas Bills



Why we filed our rate proposal

- Current three-year rate agreement – reached with a number of parties, including groups representing low-income customers, industrial customers and clean energy organizations -- expires March 31, 2021
- Delayed filing new proposal from April until July to refine and reduce the request in light of COVID-19
- Worked to strike a balance between what is needed in the near term to maintain/improve reliability and further support our customers; postponed other initiatives to lessen the financial impact on customers
- Plan includes enhanced energy affordability programs, clean energy initiatives, economic development programs, and unprecedented investment in energy efficiency and demand response programs to help customers manage their energy usage and bills
- We also need to adjust rates to cover the costs of providing service. This helps to maintain the financial integrity necessary to attract capital to finance our operations, which will lower costs for customers in the long run

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Our delivery price proposal

Our proposal seeks to fund programs necessary to continue safe and reliable service, modernize the our networks, and deliver a sustainable energy future. We have deferred tax and other customer credits that can be used to offset operating cost increases and minimize customer bill impacts in a multi-year settlement.



Estimated bill impacts (one-year proposal)

Typical Residential Electricity Customer 600 kwh monthly usage		Typical Residential Gas Customer 82 therms monthly usage	
Delivery	Total Bill (supply & delivery)	Delivery	Total Bill (supply & delivery)
6%	4% or \$3.43/month	9.5%	6% or \$4.53/month

Investing \$790 million in our electricity system to support customer reliability, create a sustainable and resilient grid, and support continued strong storm response

Strong Storm Response

August 4, 2020 – Tropical Storm Isaias

Total customers affected | 61,000+; 95% restored within 14 hours

July 2, 2020 – NY-East Thunderstorm

Total customers affected | 44,279; 95% Restored in less than 12-hrs

June 2, 2020 – Upstate NY Thunderstorms

Total Customers Affected | 16,766; 90% Restored in less than 24-hrs

May 29, 2020 – Upstate NY / NY-East EF-1 Tornado

Total customers affected | 53,656; 90% Restored in less than 12-hrs

May 15, 2020 – NY-East / NY-Central EF-1 Tornado

Total customers affected | 85,264; 90% Restored in less than 12-hrs

April 27, 2020 – NY-East Heavy Wet Snow

Total customers affected | 12,761; No extended outages

April 13, 2020 – NY Wind Event

Total customers affected | 33,459; No extended outages

February 7, 2020 – NY-East Ice, Snow, Wind

Total customers affected | 182,672; 90% Restored in 24-hrs

National Grid

Resilience & Reliability

Exceeded Reliability Targets Since 2007

- Industry leading investment & maintenance program
- Intelligent fusing program
- Enhanced feeder ties and sensors
- Mitigation of Emerald Ash Borer risk to customers
- Major projects:
 - ENY - Lasher Rd Station
 - CNY - Hopkins Rd Station
 - WNY - Gardenville Rebuild



We also are committed to enabling the **safe interconnection of renewable generation** and actively **encouraging beneficial electrification** in several key sectors, driven by strategic programs and investments in our electric system

Clean Generation



Beneficial Electrification



Distributed Energy Resources Interconnections: Install 3V0 proactively at ~20 targeted substations to reduce DER customer risk and fairly distribute costs

Non-Wires Alternatives: Two projects in the contracting phase (in service 2021) and another under solicitation

Energy Storage: Several projects with use cases ranging from capacity to NYISO market participation, to reliability, with varying ownership models

Multi Value Transmission: Focus on Mohawk Valley, where MVT upgrades will mitigate asset condition concerns and increase deliverability of over 600MW of solar connected and in queue

Electric Vehicles: 'EV Make Ready' programs for public access and residential programs focused on home charging

Modernizing our gas system to meet customer needs



Investing \$230 million to . . .

- Maintain and enhance the safety and reliability of the gas network
- Modernize the gas transmission and distribution system and operations
- Perform customer connections in a manner consistent with policy objectives
- Comply with current and emerging regulatory mandates

Investments in natural gas to meet New York's clean energy goals

Focus Investments on Proven Solutions

- Develop an offering for shared geothermal loops to support New York's heat pump goals
- Create renewable natural gas programs and incentives that will support agri-businesses
- Leverage demand response as a tool to optimize system utilization

Continue to Create Options for Customers

- Offer a renewable natural gas procurement program so that customers can choose a renewable solution
- Provide a fuel-switching/total cost of ownership calculator to empower customers
- Pursue non-pipes alternatives to traditional infrastructure investment

Invest in the Future

- Integrate hydrogen into the gas network to decarbonize the gas supply
- Test in-facility carbon capture equipment to address carbon emissions at the source
- Focus on long-term capital investments to deliver customer value

Ensuring Affordability

National Grid is committed to improving affordability and creating new opportunities for low and moderate income customers to engage in energy efficiency.

- Launching multiple new energy efficiency programs targeted for low and moderate income customers
- Increasing customer outreach and marketing to enroll more low income customers in the federal Home Energy Assistance Program (HEAP) and our customer Energy Assistance Program (EAP)
- Expanding EAP enrollment and revising our low income assistance program rate discounts



Low Income Customer Assistance :
141,560 low income customers on EAP
107,674 HEAP grants received in 2019/20
19,430 assisted by consumer advocates
360 outreach activities and events

The Way Forward

We recognize the challenging circumstances in which we are filing this rate case, during the COVID-19 pandemic and resulting economic downturn.

We are committed to working with PSC Staff, customers and other stakeholders to reach a multi-year agreement that will enable us to continue to modernize our infrastructure to deliver on the CLCPA and New York's bold, clean-energy ambitions, while mitigating the impacts of COVID-19 on our customers and communities



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Thank you