

## *NY regulators approve three-year plan to reset electricity, natural gas delivery prices*

*Multi-party agreement mitigates customer bill impacts, includes federal tax cuts*

### Background/Overview

After more than a decade of stable energy bills and \$6 billion in infrastructure investment, National Grid has received regulatory approval to reset electricity and natural gas delivery prices for upstate NY customers beginning April 1.

The approved plan calls for increased investment in the company's electricity and natural gas delivery networks, enhancements to energy efficiency and low-income support programs, and continuation of the company's successful programs to support economic development across upstate NY.

National Grid filed a one-year rate plan last April as required by law, but hoped to reach a multi-year agreement that would provide longer-term delivery price stability for customers. The three-year plan approved today was developed and agreed to following months of negotiations among the parties to the case.

The agreement, which reflects the new federal tax cuts, calls for monthly typical residential electricity bills to increase by about 3 percent/\$2 in year one, and by 4 percent/\$3 a year in the plan's second and third years. Monthly typical residential gas bills would increase by 2 percent/\$1 in year one, and by about 4.5 percent/\$3 a year in years two and three.

**Monthly residential electricity bills increase \$2; monthly gas bills increase \$1 in plan's first year**

***Supports infrastructure investment to enhance reliability, storm resiliency, customer service, economic growth***

***Enhances energy affordability programs, introduces new energy efficiency solutions, includes federal tax cuts***

### Key customer benefits

- **Investment of approximately \$2.5 billion** over the next three years in core upstate NY electricity and gas networks to further improve safety, reliability and storm resiliency, *including our ability to prepare for and respond to increased frequency and intensity of storms.*
- **Investments to seamlessly connect renewable generation** in support of state energy goals.
- **Retirement of 150 miles of leak-prone pipe.**
- **An Enhanced Energy Affordability Program** with the potential to provide more than \$70 million in annual low-income benefits. The majority of eligible customers will see a decrease in their typical average bill beginning in January 2018. We expect to increase enrollment in affordability, efficiency and gas safety programs by more than 50,000 customers.
- **New energy efficiency solutions targeted to moderate-income customers.**
- **Continued deployment of economic development programs** that help grow the economy. Since 2003, we have invested more than \$93 million across upstate, helping to create or retain nearly 50,000 jobs and leverage more than \$9 billion in other private and public investment.
- **Adding 250 jobs** over the next three years to support electric and gas operations, grid modernization and customer programs. These will be local employees who live and work in the communities we serve and support the regional economy.
- **New demonstration projects**, including initiatives to test smart home technologies, a gas demand response program and a distributed generation cost-recovery model.
- **New and continuing natural gas and electricity training academies** through Erie, Hudson Valley and Onondaga community colleges.

*Note: The approved rate plan reflects new federal tax cuts and impacts energy delivery prices only. National Grid does not set or profit from energy supply prices.*

*Parties agreeing to the Joint Proposal include: Department of Public Service Staff, Multiple Intervenors, IBEW Local 97, PACE Energy & Climate Center, Environmental Defense Fund, NYPA, NY-Geothermal Energy Organization, Tesla, ChargePoint, Great Eastern Energy, Mirabito Natural Gas, Blue Rock Energy, Direct Energy, NY State Office of General Services, Wal-Mart East, Sam's East, and the cities of Albany, Buffalo, and Syracuse.*