

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

NOTICE OF PUBLIC STATEMENT HEARINGS
ON NATIONAL GRID NY'S RATE PROPOSALS

CASE 12-G-0544

(Issued April 12, 2013)

The New York State Public Service Commission (Commission) seeks public comment on a Joint Proposal filed in this proceeding on February 22, 2013. The proposal, signed by representatives of the Brooklyn Union Gas Company d/b/a National Grid NY, the Department of Public Service and Queens Gas Consumers, would extend the Company's currently-effective rate plan for two more years. The Company's current rate plan had a five-year term that was set to end on December 31, 2012 (i.e., rate year 5 covered January 1, 2012 to December 31, 2012). However, as a practical matter, Commission-approved rate plans continue until modified by the Commission.

The Joint Proposal specifically covers the two calendar years 2013 and 2014 (also referred to as rate years 6 and 7). Under the proposal, there would be no change in base delivery rates other than revenue-neutral changes that were previously authorized by the Commission; however, the Company's allowed rate of return would change from 9.8% to 9.4%. Other principal terms include:

- A change in the earnings sharing provisions such that at the end of calendar year 2014 (rate year 7), 80% of the rate year 6 and 7 earnings that exceed the 9.4% target would be applied as a credit against environmental remediation balances for the benefit of customers;
- A further change in earnings sharing, effective for calendar year 2015 and prospectively, requiring 100%

of any earnings over 9.4% to be applied as a customer credit against environmental remediation balances if the Company does not file for new rates by January 31, 2015;

- The establishment of modified performance measures for gas safety and customer service; and
- Increased funding for the Company's low-income discount program.

A full copy of the Joint Proposal may be viewed, printed, or downloaded from the Commission website at:
<http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={4A318B63-494D-45D1-A803-AD741E75776A}>

The Commission may adopt, adopt with changes, or reject any of the terms of the pending proposal. The Commission also may adopt terms other than those proposed.

TAKE NOTICE that members of the public may provide their comments on the Joint Proposal at public statement hearings to be held as follows:

Date: Tuesday, May 7, 2013
Times: Afternoon Session Beginning at 3:30 p.m.
Evening Session Beginning at 7:00 p.m.
Location: Brooklyn Borough Hall,
Court Room, Second Floor
209 Joralemon Street
Brooklyn, New York

Members of the public will have an opportunity to present their comments at the public statement hearings before an Administrative Law Judge. It is not necessary to make an appointment in advance or to present written material in order to speak at the public statement hearings. Persons interested

in speaking will be asked to complete a card requesting time to speak when they arrive at the hearing and will be called in the order in which the cards are received. Speakers are not required to provide written copies of their comments.

Each public statement hearing session will be held open for a minimum of one hour, and will be kept open until everyone wishing to speak has been heard or other reasonable arrangements have been made. A verbatim transcript of the hearing will be made for inclusion in the record.

Disabled persons requiring special accommodations should contact the Department of Public Service's Human Resource Management Office at (518) 474-2520 as soon as possible. TDD users may request a sign language interpreter by placing a call through the New York Relay Service at 711 to reach the Department of Public Service's Human Resource Office at the (518) 474-2520 number. Individuals with difficulty understanding or reading English are encouraged to call the Commission at 1-800-342-3377 for free language assistance services regarding this notice.

Other Ways to Comment

Internet or Mail: Those who cannot or do not wish to attend the public statement hearings, may submit comments electronically to Hon. Jeffrey C. Cohen, Acting Secretary, at secretary@dps.ny.gov, or by mail or delivery to Acting Secretary Cohen at the Department of Public Service, Three Empire State Plaza, Albany, New York 12223-1350. Comments should refer to "Case 12-G-0544 - Brooklyn Union Gas Company d/b/a National Grid NY's Rates."

Toll-Free Opinion Line: You may call the Commission's Opinion Line at 1-800-335-2120. This number is set up to take comments about pending cases from in-state callers, 24 hours a

day. Callers should select English or Spanish and press "1" to leave comments about "Case 12-G-0544 - Brooklyn Union Gas Company d/b/a National Grid NY's Rates."

Comments submitted via these alternate means should be received by May 20, 2013. They will become part of the record and, if timely submitted, will be reported to the Commission for its consideration.

This matter is being heard in Case 12-G-0544 - In the Matter of the Commission's Examination of The Brooklyn Union Gas Company d/b/a National Grid NY's Earnings Computation Provisions and Other Continuing Elements of the Applicable Rate Plan.

(SIGNED)

JEFFREY C. COHEN
Acting Secretary