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John B. Rhodes, Chair

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PSC Approves Settlement to Lift National Grid Gas Moratorium

Downstate Gas Utility Agrees to Immediately Lift Current Natural Gas Moratorium in Long Island, Queens and Brooklyn

National Grid Will Pay \$36 Million to Compensate Customers Hurt by Moratorium and Support New Energy Conservation Measures, Clean Energy Projects

Independent Monitor Being Appointed to Ensure Company Compliance

ALBANY — The New York State Public Service Commission (Commission) today adopted a settlement with National Grid's downstate gas utilities that will resume natural gas hook-ups for thousands of residential and business customers and will resolve an open enforcement action against National Grid that could have resulted in the revocation of the utility's license.

"At Governor Andrew M. Cuomo's direction, the Department of Public Service took swift action to investigate National Grid's moratorium and to protect consumers," **said Commission Chair John B. Rhodes.** "This settlement agreement addresses the customer hardships that were caused by National Grid and sets forth a plan to safely and reliably deal with supply constraints going forward."

The settlement adopted today, announced by Governor Cuomo on Monday, includes the following:

Moratorium Lifted: National Grid agrees to immediately lift the current moratorium on gas service in Long Island, Queens and Brooklyn. Service will be provided to any customers who have been refused and all applications will be granted for approximately two years.

Independent Monitor: National Grid agrees to a monitor appointed by the State of New York who will oversee National Grid's operations and compliance with this agreement and will report to the State of New York and the Public Service Commission. The monitor will be paid for by National Grid.

Customer Compensation, Energy Efficiency and Clean Energy: National Grid will pay \$36 million that will be used to compensate customers who were adversely impacted by the moratorium and support new energy-efficiency measures and clean-energy projects.

Long-Term Options: National Grid agrees there are several options to be considered to address the long-term supply needs. The long-term options to be considered, among others, include a new

pipeline, liquified natural gas (LNG) facilities, compressed natural gas (CNG) facilities, renewable energy sources, conservation strategies and interoperable systems. National Grid agrees to analyze all available options and present those factors to the public in an open and transparent manner so that an intelligent strategy can be formulated.

National Grid provides natural gas services to 1.8 million customers located in Brooklyn, Queens, and Long Island. Beginning in November 2018, National Grid began imposing conditions of gas service on new and expanded service connections for certain large customers and began denying such connections for all applicants in May 2019.

Since imposition of the moratorium, National Grid had denied gas service to more than 3,700 existing and new customers, including inactive customers who had temporarily suspended gas service to facilitate renovations to their homes or businesses, and that the failure to provide such service coupled with the lack of appropriate notice of the moratorium created an undue hardship for these customers.

In October, Governor Cuomo announced a Commission action ordering National Grid to immediately connect more than 1,100 residential and small business gas customers previously denied service by the moratorium. The PSC also directed National Grid to develop a contingency plan that would allow the company to safely connect the maximum number of customers denied service.

Today's decision (here) may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 19-G-0678 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.

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