

**NEW YORK STATE PUBLIC SERVICE COMMISSION**

**CASE 16-G-0058**

**PROCEEDING ON MOTION OF THE COMMISSION AS TO THE RATES,  
CHARGES, RULES AND REGULATIONS OF KEYSpan GAS EAST  
CORPORATION D/B/A NATIONAL GRID FOR GAS SERVICE**

**CASE 16-G-0059**

**PROCEEDING ON MOTION OF THE COMMISSION AS TO THE RATES,  
CHARGES, RULES AND REGULATIONS OF THE BROOKLYN UNION GAS  
COMPANY D/B/A NATIONAL GRID NY FOR GAS SERVICE**

**STATEMENT BY ESTATES IN SUPPORT OF JOINT PROPOSAL**

On behalf of Estates NY Real Estate Services LLC (“Estates”), Funk & Zeifer LLP makes the following statement in support of the Joint Proposal.

Estates is a customer of The Brooklyn Union Gas Company d/b/a National Grid (“Company”) and has been an active participant in Case 16-G-0059. Estates is wholly owned by the LeFrak Organization, Inc. Estates is the owner/manager of a very large real estate portfolio in the New York metropolitan region and a major customer of the Company. Estates’ properties are, in the aggregate, one of National Grid's largest temperature controlled (“TC”) transportation customers. For that reason, Estates has a significant interest in the rates charged by National Grid and the services it provides.

Estates supports and is a signatory to the Joint Proposal that was filed with the New York State Public Service Commission (“Commission”) on September 7, 2016, in the above-referenced cases. Estates actively participated in the settlement negotiations that culminated in the Joint Proposal. For the reasons set forth below, Estates urges the Commission to adopt the Joint Proposal, without modification, in this proceeding.

The Joint Proposal was executed, and is supported, by the Companies, the New York State Department of Public Service Staff (“Staff”) and all active parties in this case except for the Public Utility Law Project (“PULP”). The Joint Proposal provides for the Companies’ retail gas service as set forth therein.

Estates’ focus in the settlement negotiations was the creation of a new dual-fuel firm service classification to address the need for moving customers off the TC service classification and to create a new service classification that will bring important benefits to the Company’s gas distribution system and its customers. In that regard, Estates is contemplating moving its significant TC transportation portfolio of customers to a firm rate and ultimately, if created, to a new dual-fuel firm service classification.

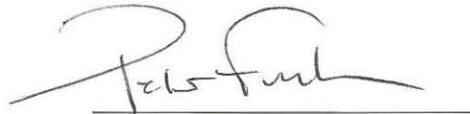
The amount that the Portfolio paid for transportation services and commodity during the most recent year is a significant portion of the allocated revenue which the Company received during the test year under the SC-3 Service Classification. In the event that the accounts in the Portfolio were to become customers under an additional service classification under SC-3 or in a new dual-fuel firm service classification, in the aggregate, they would provide a significant portion of the total SC-3 revenues which are otherwise provided by other customers in SC-3. These Portfolio accounts, as customers under a new dual-fuel firm service classification, would bring dual fuel capability which would be a significant asset to be relied upon by the gas distribution system in light of potential drops in system pressure in emergency conditions. A potential new dual-fuel firm service classification is to be addressed in a TC/Non-Firm Service Collaborative

The Joint Proposal is broadly supported by many parties with diverse interests. PULP is the only active party opposing the Joint Proposal. The Joint Proposal is in the public interest and should be adopted by the Commission, without modification, in this proceeding.

For the foregoing reasons, Estates urges that the Joint Proposal be adopted without modification.

Respectfully submitted,

Funk & Zeifer LLP  
On behalf of  
Estates NY Real Estate Services LLC

A handwritten signature in black ink, appearing to read "Peter V.K. Funk, Jr.", written over a horizontal line.

Peter V.K. Funk, Jr  
Partner  
Funk & Zeifer LLP  
260 Madison Avenue  
New York, New York 10016  
Office: 646.597.6284  
Fax: 212.448.0066  
[peter.funk@funkandzeifer.com](mailto:peter.funk@funkandzeifer.com)

Dated: September 16, 2016