



April 1, 2026

VIA ELECTRONIC FILING

Hon. Michelle L. Phillips
Secretary
New York State Public Service Commission
Empire State Plaza
Agency Building Three
Albany, NY 12223-1350

Re: Case 24-G-0323 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules, and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Gas Service – **Multiple Intervenors’ Comments on the Partially Interruptible Service Class Pilot Proposal**

Dear Secretary Phillips:

Multiple Intervenors, an unincorporated association of approximately 55 large industrial, commercial, and institutional energy consumers with manufacturing and other facilities located throughout New York, including in the Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid”) service territory, hereby submits its Comments in response to the Notice Soliciting Comments (“Notice”) issued on March 9, 2026, in Case 24-G-0323.¹ The Notice solicits comments regarding the “Partially Interruptible Service Class Pilot Proposal” (the “Pilot Proposal”) filed by National Grid on February 13, 2026² in accordance with the “Order Adopting Terms of Joint Proposal and Establishing Rate Plans” issued by the Public Service Commission (the “Commission”) on August 14, 2025³ in Cases 24-E-0322 and 24-G-0323, and Section 4.8 of the Joint Proposal approved by the Order.⁴

¹ This filing reflects the views of Multiple Intervenors with respect to the matters addressed herein and does not necessarily reflect the views of each individual member.

² Case 24-G-0323, *Niagara Mohawk Power Corporation d/b/a national Grid - Gas Rates, Partially Interruptible Service Class Pilot Proposal* (filed February 13, 2026) (“Pilot Proposal”).

³ Cases 24-E-0322, *Niagara Mohawk Power Corporation d/b/a national Grid - Electric Rates*, and 24-G-0323, *supra*, Order Adopting Terms of Joint Proposal and Establishing Rate Plans (issued August 14, 2025) (“Order”).

⁴ Case 24-G-0323 *et al.*, *supra*, Joint Proposal (filed April 25, 2025).

To address supply constraints, National Grid agreed in the Joint Proposal to design and implement a pilot program that would incentivize customers to make a portion of their gas load interruptible. In accordance with the Joint Proposal, interested parties—including National Grid, Department of Public Service Staff (“Staff”), several gas marketers, and Multiple Intervenors—met twice in late 2025 to discuss the proposed program. On February 13, 2026, National Grid filed the subject Pilot Proposal for comment. As described fully below, Multiple Intervenors is not wholly opposed to the proposed program but has identified critical components that must be reexamined and modified before implementation.

The Pilot Proposal

The Pilot Proposal seeks to implement a two-year pilot program for a new service class limited to ten current Service Classification No. 8 (“S.C. 8”) customers with at least one million therms of annual usage. National Grid proposes to implement the pilot program beginning in the 2026-2027 winter season.

Operationally, National Grid proposes to set a usage limit at 50 percent of the participating customer’s Maximum Peak Day Quantity (“MPDQ”) during a service interruption (*i.e.*, 50 percent of the participating customer’s MPDQ would remain firm, and 50 percent of the participating customer’s MPDQ would be interruptible and must be curtailed during interruption). National Grid would monitor gas usage during service interruptions, and, as proposed, a participating customer would be removed from the pilot program after two violations of program rules.

As to pricing and discounts, the customer charge would be the same monthly charge applicable to customers taking interruptible service under Service Classification 6 (“S.C. 6”). Participating customers would receive a discounted delivery rate equal to a 20 percent discount off the otherwise applicable tail block rate. The discounted rate would apply to the customer’s entire usage, both firm and interruptible. Participating customers would be subject to a penalty for usage above the agreed upon MPDW during an interruption.

Important Issues Requiring Resolution

First and foremost, although the intent behind the Pilot Proposal is sound, the treatment accorded to customers following participation in the pilot program is not clear and must be clarified before implementation. Pursuant to the Pilot Proposal, participating customers only are entitled to return to firm transportation service for the entirety of their gas demand if National Grid has such capacity available. As Multiple Intervenors noted in the stakeholder meetings on this subject, this provision is unreasonable and would be a major impediment to participation. More specifically, it is unlikely that S.C. 8 customers, especially those with an existing D1 election, would participate in the pilot program, which is currently expected to last two years, absent express assurances that, upon the conclusion of their participation—either at their election or the termination of the program—those customers would be able to return to firm transportation service with their full D1 election intact.

There is another significant concern that stems from this issue as well: if the pilot program concludes after its initial two-year term, or later, and National Grid does not have adequate capacity to allow a participating customer to return to firm transportation service for the entirety of its demand, it is unclear how the customer would be treated. For instance, if National Grid lacks

capacity for the customer's full demand to be treated as firm under S.C. 8, would the customer's entire load be made interruptible under S.C. 6 or would some other approach apply? This question must be answered before any final pilot program is implemented.⁵ Moreover, to avoid that possible result, provisions in the program should make abundantly clear that, following the two-year pilot program, participating customers are permitted to return, without restriction, to firm service under S.C. 8 should they so desire.

Additional issues pertaining to customer discounting, the threshold participation percentage, and notice also should be resolved before implementation.

To start, under the Pilot Proposal, 50 percent of a participating customer's demand would be subject to interruption, however the customer would only receive a discounted delivery rate equal to 20 percent off the otherwise applicable tail block rate. National Grid should reexamine this discounting methodology, as it would be more equitable to the customer to offer a discount that matches or is closer to the percentage of the customer's demand subject to interruption.

Second, although National Grid "believes that 50% of MPDQ is a reasonable proposal in this pilot program,"⁶ it has offered no justification for that threshold percentage or explained why it would not be appropriate to consider prospective customers who would be willing to participate in the program at larger or smaller levels, such as 25 or 75 percent. Given the serious concern identified above that S.C. 8 customers are unlikely to participate in the program if the Company cannot offer clear assurances that firm service will be reinstated fully at the pilot's conclusion, National Grid should consider providing more flexibility as to the percentage of MPDQ that a customer may use to participate in the pilot program.

Lastly, if a customer's return to firm service after the expiration of the program cannot be guaranteed, there needs to be a bold, clear notice included in the final Pilot Proposal addressing that specific risk so that prospective participants can make a fully informed decision.

For the foregoing reasons, Multiple Intervenors offers its general support of the Pilot Program subject to the modifications provided herein.

Respectfully submitted,

MULTIPLE INTERVENORS

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⁵ National Grid's statement on page 6 of the Pilot Proposal that "the customer would be advised that it may take service under S.C. 6 interruptible service" does not fully address the scenario raised herein.

⁶ Pilot Proposal at 4.