

**BEFORE THE
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

In the Matter of a Review of the Long-Term	)	
Gas System Plans of The Brooklyn Union	)	Case 24-G-0248
Gas Company d/b/a National Grid NY,	)	
KeySpan Gas East Corporation d/b/a	)	
National Grid, and Niagara Mohawk Power	)	
Corporation d/b/a National Grid	)	

**COMMENTS OF INDEPENDENT POWER PRODUCERS OF NEW YORK,
INC. ON NATIONAL GRID ADDENDUM AND PA REPORT**

Dear Secretary Phillips,

In response to the New York Public Service Commission’s July 25, 2025 Notice in this proceeding, Independent Power Producers of New York, Inc. (“IPPNY”), a not-for-profit trade association representing the independent power industry in New York State, hereby submits these comments in support of the findings in the National Grid (“Grid”) July 2, 2025 Addendum as further supported by the attached LAI Report and corroborated by the August 6, 2025 PA Report concerning the reliability and resilience benefits of, and the inter-related positive impacts on electric markets arising from, the Northeast Supply Enhancement project (“NESE Project”).

The NESE Project is critically needed to maintain the reliability of the natural gas system in New York to serve Grid’s downstate customers and to augment gas supply to enhance the reliability of the electric markets in the downstate region. This has become even more important in light of emerging system conditions, as well as the recent developments on the federal level and their associated effects on the development of land-based renewable and offshore wind resources to provide electricity to New York City and Long Island customers. IPPNY member companies are actively involved in the development, operation, and ongoing maintenance of electric generating facilities, including renewable resources, the generation, sale, and marketing of electric power, and the development and operation of energy storage facilities in the State of New York. Additionally, IPPNY member companies produce the

majority of New York's electricity, utilizing almost every commercially viable generation technology available today, such as wind, solar, natural gas, low sulfur oil, run-of-river hydro, biomass, energy storage, and nuclear.

The Notice solicited comments on the NESE Project, a pipeline proposed by Transcontinental Gas Pipeline Company LLC (“Transco”) that would transport natural gas from Pennsylvania into the borough of Queens, New York. As National Grid has established, this project is the only option available at this time to effectively support reliability of the gas system in the western portion of its downstate service territory, an area in close proximity to a substantial number of electric generation facilities in New York City. Its capacity will allow New York State to improve the increasingly tighter operating conditions that have occurred on both the gas and electric systems, which were most recently reflected last winter and throughout this past summer. The New York Independent System Operator (“NYISO”), has issued numerous reports cautioning that narrow supply margins are markedly challenging uninterrupted service to New Yorkers and are driving up prices.

The NESE Project represents a critical investment in our energy infrastructure. National Grid provides substantial evidence in the Addendum establishing that the NESE Project will enhance the reliability of both the gas and electric systems and the analyses in the LAI Report confirm it will produce substantial electric market savings for the benefit of New Yorkers. The PA Report concurs, pointing to the fact there are “broader energy demands within the State of New York, requiring natural gas to reliably and economically serve both natural gas end-uses as well as power generation, particularly within the gas-constrained DSNY area.” (PA Report, pp. 7-8.) Indeed, analyzing the changed circumstances, increasing complexity these systems are facing as New York moves forward with its implementation of the Climate Leadership and Community Protection Act (“Climate Act”), and the demands of the heating and transportation sectors converge, PA emphasizes “the need for a more comprehensive perspective on the NYISO energy system.” The NESE Project is the only option available to Grid that can provide benefits to both systems efficiently and cost effectively.

By increasing the supply of natural gas by approximately 13%, the NESE Project will indisputably help address the growing demand from residents, businesses, and emerging sectors such as high-performance data centers designed for artificial intelligence applications and will enhance the resiliency of the downstate systems while, at the same time, supporting energy affordability. The LAI Report indicates that NESE could save New Yorkers up to \$6 billion in electricity costs over 15 years, with nearly half of those savings directly benefiting downstate residents. As the State continues to recognize the impact of the costs of these essential services on New Yorkers, the NESE Project is an opportune step.

IPPNY supports the goals of the Climate Act to achieve net zero emissions across all sectors of the economy by 2050. Pertinent here, the Commission repeatedly has stated, in both gas and electric proceedings, that safe and adequate service must continue to be ensured during the transition to a net zero- emitting economy. As New York relies more heavily on renewable energy sources, such as wind and solar, and commercially viable dispatchable emissions free resources and long-term storage resources are not yet available, natural gas facilities will continue to play a role in this transition to produce electricity when these intermittent resources cannot. During Winter Storm Elliott in 2022, Con Edison and

National Grid were barely able to provide adequate supply. Had the weather been colder, the cold streak been longer, or the period had not occurred during the holidays, the utilities would have likely been unable to avoid thousands, and potentially millions, of gas outages. Generating facilities, such as those that will be able to procure gas delivered into New York City over the NESE Project, must continue to have access to adequate fuel supply to be able to maintain system reliability.

The Federal Energy Regulatory Commission (“FERC”) is making strides in ensuring that additional natural gas infrastructure comes on-line to safeguard the continued reliability of the electric and natural gas systems. With its order issued on August 25, 2025 reissuing the certificate to construct and operate this new pipeline, FERC confirmed the NESE project aligns with that vision. Further, the order highlighted the fact that the NESE Project will provide additional needed supply and will address pipeline pressure and other system conditions that can otherwise adversely affect service to gas customers during events in the future, like Winter Storm Elliott. Notably, FERC relied on studies to reach its determinations concerning existing and future system conditions and needs that are evidenced in this proceeding.

Until new renewable and zero-emissions technologies become commercially viable solutions to fully meet customer needs, NYISO studies confirm New York must continue to rely on natural gas-powered facilities, a fact the State also recently documented in its Draft State Energy Plan issued at the end of July. Currently, 60% of New York households use natural gas for heating and 40% of the State's electricity is produced by natural gas-fired electric generators. New Yorkers downstate are even more heavily reliant on adequate natural gas infrastructure and supply to provide these essential services. As the State increases its reliance on renewable energy sources and zero-emitting technologies while transitioning to implement the Climate Act goals, projects such as the NESE Project are necessary to maintain an adequate and reliable supply of natural gas.

For the foregoing reasons, IPPNY supports the NESE Project as it is crucial to New York's energy and economic future and the health and safety of New Yorkers and respectfully urges the Commission to confirm in its order on the Grid long term gas system plan that incorporating the NESE Project complies with the Commission's directives in this proceeding and is a reasonable action.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gavin J. Donohue", written in a cursive style.

Gavin J. Donohue