

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 24-E-0322 - 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 Electric Service.

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.

NOTICE OF JOINT PROPOSAL AND SOLICITING PUBLIC COMMENT

(Issued May 5, 2025)

PLEASE TAKE NOTICE that comments are sought concerning a Joint Proposal filed in the above-captioned proceedings on April 25, 2025. The Joint Proposal would establish new electric and gas rate plans for Niagara Mohawk Power Corporation d/b/a National Grid (National Grid or the Company) for three years beginning April 1, 2025, with Rate Year 1 (RY1), Rate Year 2 (RY2), and Rate Year 3 (RY3) defined as the 12 months ending March 31, 2026, March 31, 2027, and March 31, 2028, respectively.

The signatories to the Joint Proposal are National Grid, trial staff of the Department of Public Service, Multiple Intervenors, Walmart, the New York Solar Energy Industries Association, the Alliance for a Green Economy, the New York Power Authority (NYPA), Independent Power Producers of New York, Inc. (IPP), the United States Department of Defense and all other Federal Agencies, Turning Stone Enterprises, LLC, Fedrigoni Special Papers North America (Fedrigoni), Empire National Gas Corporation (Empire), New Yorkers for Clean Power, New York Geothermal Energy Organization, and the International Brotherhood of Electrical Workers Local

Union 97 (IBEW).¹

The Joint Proposal would provide for increases in revenues for the Company's electric and gas delivery services. As levelized to moderate impacts on customers, the RY1 increase for electric would be approximately \$167.3 million (6.4% delivery and 3.4% total revenue), the RY2 increase would be approximately \$297.4 million (10.9% delivery and 5.6% total revenue), and the RY3 increase would be approximately \$243.4 million (8.2% delivery and 4.6% total revenue). For gas, the levelized increases would be approximately \$57.4 million (10.8% delivery and 5.5% total revenue) in RY1, \$64.5 million (10.8% delivery and 5.5% total revenue) in RY2, and \$71.7 million (10.8% delivery and 6.0% total revenue) in RY3. The actual bill impacts of the proposed changes would vary based on revenue allocation and rate design.

The proposed revenue requirements reflect a common equity ratio of 48% for the Company, and a return on equity of 9.50%. The Joint Proposal includes an earnings sharing mechanism by which customers would share annual earnings that exceed 10.00%. Among other things, the Joint Proposal provides for incremental discounts for the Company's Energy Affordability Program, additional cold weather-related protections for customers, a shareholder-funded weatherization health and safety program, continued funding for energy efficiency and economic development programs, and modifications to the Company's distributed energy resource programs and the terms of service applicable to daily balanced customers and the marketers serving such customers.

¹ IPP and IBEW are parties in only Case 24-E-0322, while Empire and Fedrigoni are parties in only Case 24-G-0323, so the position of each is limited to the electric or gas proceeding, respectively. NYPA supports only certain sections of the Joint Proposal and takes no position on the rest.

The full text of the Joint Proposal, a summary of its key provisions (prepared by National Grid), and other filings in these proceedings may be reviewed online at the Department of Public Service web page by going to www.dps.ny.gov, clicking on "File Search" (located under the heading "Commission Files") and entering "24-E-0322" or "24-G-0323" in the "Search by Case Number" field.

The Public Service Commission (Commission) may adopt, adopt with changes, or reject, in whole or in part, any of the terms proposed in the Joint Proposal. The Commission may also adopt terms other than those proposed.

Comments on the Joint Proposal are requested by June 30, 2025. Comments should refer to "Case 24-E-0322" or "Case 24-G-0323."

Internet or Mail: Go to www.dps.ny.gov, click on "File Search" (located under the heading "Commission Files"), enter "24-E-0322" or "24-G-0323" in the box labelled "Search by Case Number," and then click on "Post Comments" located at the top right of the page.

Alternatively, comments may be mailed to the Hon. Michelle L. Phillips, Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350; however, electronic filing of comments is strongly encouraged.

All written comments submitted to the Secretary will be posted on the Department's website and will become part of the record of the proceeding in which they are posted. Please be advised that untimely comments may not be considered by the Commission. Comments may be accessed on the Department of Public Service website by searching the case numbers, as described above, and clicking on the "Public Comments" tab.

Toll-Free Opinion Line: Individuals may choose to submit comments by calling the Commission's Opinion Line at 1-800-335-2120. This number is set up to receive in-State calls 24-hours a day. These calls are not transcribed verbatim, but a summary is provided to the Commission.

(SIGNED)

MICHELLE L. PHILLIPS
Secretary