

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

- CASE 23-G-0225 - 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.
- CASE 23-G-0226 - 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 23-G-0200 - Petition of The Brooklyn Union Gas Company d/b/a National Grid NY for a New York State Sales Tax Refund under 16 NYCRR Section 89.3 and Request for an Extension.

NOTICE OF JOINT PROPOSAL AND  
SOLICITING PUBLIC COMMENT

(Issued April 12, 2024)

**PLEASE TAKE NOTICE** that comments are sought concerning a Joint Proposal filed in the above-captioned proceedings on April 9, 2024. The Joint Proposal would establish new rate plans for The Brooklyn Union Gas Company d/b/a National Grid NY (KEDNY) and KeySpan Gas East Corporation d/b/a National Grid (KEDLI) (collectively, the Companies) for three years beginning April 1, 2024, with Rate Year 1 (RY1), Rate Year 2 (RY2), and Rate Year 3 (RY3) defined as the 12 months ending on March 31, 2025, March 31, 2026, and March 31, 2027, respectively. The signatories to the Joint Proposal are the Companies, trial staff of the Department of Public Service, the City of New York, the Environmental Defense Fund, and NRG Energy, Inc.

The Joint Proposal would provide for levelized increases in revenues for the Companies' gas delivery services. As levelized to moderate rate impacts on customers, the Joint

Proposal would result in increases in gas delivery revenues for KEDNY of approximately \$256.88 million in RY1 (a 17.7 percent increase in delivery revenues and 10.5 percent increase in total revenues), \$287.52 million in RY2 (a 14.8 percent increase in delivery revenues and 10.5 percent increase in total revenues), and \$320.06 million in RY3 (a 14.9 percent increase in delivery revenues and 10.5 percent increase in total revenues). The Joint Proposal would result in levelized gas delivery revenue increases for KEDLI of approximately \$147.09 million in RY1 (a 16 percent increase in delivery revenues and 9.4 percent increase in total revenues), \$161.14 million in RY2 (a 13.7 percent increase in delivery revenues and 9.4 percent increase in total revenues), and \$180.43 million in RY3 (a 13.6 percent increase in delivery revenues and 9.4 percent increase in total revenues). The actual bill impacts of the proposed changes on specific customer classes would vary based upon revenue allocation and rate design.

The proposed revenue requirements reflect a common equity ratio of 48 percent for the Companies, and a return on equity of 9.35 percent. The Joint Proposal includes earnings sharing mechanisms by which customers would share annual earnings that exceed 9.85 percent. The Joint Proposal continues the Companies' Energy Affordability Program with increased annual allowances and continues and updates the Companies' gas safety performance metrics and various customer service performance indicators. Among numerous other provisions, the Joint Proposal also addresses the replacement of leak prone pipe, the use of non-pipe alternatives, the termination of marketing new gas connections and conversions, and the requirement to report on data related to the Climate Leadership and Community Protection Act.

The full text of the Joint Proposal, a summary of its key provisions (prepared by the Companies), 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](http://www.dps.ny.gov), clicking on "File Search" (located under the heading "Commission Files"), and entering "23-G-0225," "23-G-0226," or "23-G-0200" in the "Search by Case Number" field.

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

**Comments on the Joint Proposal are requested by May 24, 2024.** Comments should refer to one or all of the following: "Case 23-G-0225 (KEDNY gas rates)" or "Case 23-G-0226 (KEDLI gas rates)" or "Case 23-G-0200 (KEDNY sales tax refund)."

**Internet or Mail:** Go to [www.dps.ny.gov](http://www.dps.ny.gov), click on "File Search" located under the heading "Commission Files," enter "23-G-0225," "23-G-0226," or "23-G-0200" in the box labeled "Search by Case Number," and then click on "Post Comments" at the top 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. All written comments will become part of the record considered by the Commission and 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 submit comments by calling the Commission's Opinion Line at 1-800-335-2120. This number is set up to take comments about pending cases from in-State callers 24-hours a day. These comments are

CASES 23-G-0225, 23-G-0226 and 23-G-0200

not transcribed verbatim, but a summary is provided to the Commission.

(SIGNED)

MICHELLE L. PHILLIPS  
Secretary