January 14, 2021

Chair John B. Rhodes  
Commissioner Diane X. Burman  
Commissioner James S. Alesi  
Commissioner Tracey A. Edwards  
Commissioner John B. Howard

Re: National Grid Upstate Electricity and Gas Rate Increase Request; Cases 20-E-0380 and 20-G-0381

Dear Commissioners:

On behalf of the undersigned community, faith-based, climate, environmental, and policy organizations, we urge you to reject the application by National Grid for a $141.8 million increase in gas and electric rates in its upstate New York service territory.

As organizations that collectively represent hundreds of thousands of impacted residents and allies, we are certain that this rate increase of almost $100 per year for the average customer with gas and electric service is unaffordable.

National Grid’s proposed rate increase will be another financial blow to upstate New Yorkers who are struggling to afford basic necessities. The COVID-19 pandemic has already led to many taking pay cuts or being laid off entirely. Unemployment is nearly three times higher than when the Company was last awarded a rate hike in its 2017 rate case. As of October 2020, 261,507 upstate National Grid customers were 60 days or more behind on their bills, owing an average of $1,099 per household ($287.4 million total).

The company’s proposal is also objectionable because it proposes to devote significant ratepayer dollars to make investments that will worsen the impacts of climate change, even though New York has enacted the Climate Leadership and Community Protection Act (CLCPA), ground-breaking legislation committing New York to all but eliminate greenhouse gas emissions. National Grid’s proposed bill increases would fund, among other things, $41.8 million in new gas delivery infrastructure in one year alone. An example is the “Albany Loop” project, a proposed 7.3 mile fracked gas pipeline for which the company seeks additional money, even though the Company admits the project is not needed in the “near term” to meet anticipated customer demand. Funding an expansion of natural gas infrastructure – inevitably leading to stranded assets in the future as New York reduces its dependence on fossil fuels – is arguably an imprudent use of customer money and contrary to the CLCPA.

National Grid can afford to forgo a rate increase in this time of crisis and should voluntarily set a positive example for its sister utilities by sharing the sacrifices its customers and other major corporations are making. The company has paid out $14.6 billion in dividends to shareholders since 2015, and continues to pay its top executives millions of dollars a year annually; for example, CEO John Pettigrew made $6,848,349 in compensation in the 2019-20 year. In a period when we should be aiding our struggling neighbors, National Grid has not proposed to make any sacrifices of its own, instead seeking to impose bigger bills upon consumers whose lives during the pandemic have required one sacrifice after another.
We also object to the proposal on the following grounds:

- National Grid is proposing to invest significant ratepayer dollars on false climate solutions like so-called renewable natural gas (RNG) and hydrogen blending, rejecting more climate-friendly solutions like heat pumps. Heat pumps are renewable based heating systems that do not burn fossil fuels and can run on renewable electricity.

- National Grid is proposing to replace over 500 miles of older, leak-prone pipes in its upstate New York distribution system at a cost of roughly $70 million a year, when the pipeline system will need to be phased out over the next 30 years to comply with the CLCPA. Instead, the Company should focus on replacing piping that is actually leaking or unsafe.

- The proposal fails to take sufficient steps to make energy efficiency measures affordable for low and moderate income consumers. Weatherization and energy efficiency are the least costly options for reducing customer energy bills and mitigating greenhouse gas emissions due to heating and cooling our homes. However, weatherization and energy efficiency improvements remain out of reach for too many poor and working class New Yorkers due to high upfront costs, barriers to affordable financing, and insufficient grant funding to meet existing needs. As a solution, National Grid should implement inclusive financing to enable customers to obtain weatherization and energy efficiency services at no upfront cost and with no credit checks. The energy savings realized through steps like weatherization and the installation of clean heating and cooling systems like heat pumps can then be used to repay the costs of the improvements over time in a manner that neither disadvantages low-income, medically vulnerable and senior households, nor diminishes the property value of their homes or neighborhoods.

In summary, we ask the Public Service Commission to reject this rate hike proposal. National Grid, an enormously profitable corporation, should not be asking for rate increases in this emergency period, and ratepayers should not have to pay more for climate-destroying projects that soon will have to be retired. We call on you to hold National Grid to the Climate Leadership and Community Protection Act by improving access to energy efficiency for low and moderate income households and rapidly accelerating the transition to renewable-based heating solutions.

Sincerely,

350.org
350Brooklyn
350NYC
All Our Energy
Alliance for a Green Economy
Bethlehem Tomorrow
Big Reuse
BK ROT
Brooklyn For Peace
Broome Tioga Green Party
Buffalo DSA
Catskill Mountainkeeper
Church Women United in New York State
Citizen Action of New York
Citizens for Local Power
Citizens’ Climate Lobby, Albany Chapter
Citizens’ Environmental Coalition
Climate Change Awareness and Action
Climate Justice Cornell
Climate Solutions Accelerator of the Genesee-Finger Lakes Region
CNY Poor People’s Campaign
CNY Solidarity Coalition Climate Justice Committee
Coalition Against the Rockaway Pipeline
Coalition for Economic Justice (CEJ)
Coalition for Outreach, Policy & Education
Community Advocates for a Sustainable Environment
Compressor Free Franklin
Concerned Health Professionals of New York
Cooperation Buffalo
Council on Intelligent Energy and Conservation Policy (CIECP)
Dryden Resource Awareness Coalition
Dutchess County Progressive Action Alliance
Elmirans and Friends Against Fracking
Environmental Justice Taskforce of the WNY Peace Center
Erie County Green Party
Food and Water Watch
Fossil Free Tompkins
Frack Action
FrackBustersNY
Fruit Belt Advisory Council
Gas Free Seneca
Grassroots Environmental Education
Greater Syracuse Tenants Network
Green Education and Legal Fund
GreeningUSA
HabitatMap
HeatSmart Tompkins
Hudson Valley Green Party
Indian Point Safe Energy Coalition
Judson Memorial Church
Long Island Progressive Coalition
Massachusetts Avenue Project Inc.
Mothers Out Front – Adirondacks/Keene
Mothers Out Front – Chemung County
Mothers Out Front – Dutchess County
Mothers Out Front – Long Island Team
Mothers Out Front – Tompkins County
Sullivan Area Citizens for Responsible Energy Development
Sunrise NYC
Sustainable Warwick
Syracuse Cultural Workers
Syracuse DSA
Syracuse Peace Council
The Banner
The Climate Reality Project: Capital Region, NY Chapter
Tompkins County Climate Protection Initiative
Ujima Company, Inc.
United for Action
Universal Human Rights Defenders Coalition
Upper Hudson Green Party
WE ACT for Environmental Justice
Weaving Home
WESPAC Foundation
Western NY Environmental Alliance
Workers Center of Central New York
Working Families Party – Capital District