PSC Chair Approves Orders Suspending Rate Increases in Response to COVID-19

New York American Water, National Grid Upstate Postpone April 1 Rate Increases

PSC’s Swift Action Provides Financial Relief for the Nearly 2 Million Families and Businesses Served by These Utilities

ALBANY — The Chair of the Public Service Commission (Commission) today approved an order that will allow New York American Water (NYAW) to delay implementing the previously approved rate increase scheduled to take effect April 1 under its existing four-year rate plan. The Commission’s Chair approved a second order allowing National Grid’s upstate electric and gas utility to postpone implementing previously approved delivery rate increases that would have also taken effect on April 1 under its existing three-year rate plan.

“We thank New York American Water and National Grid for their cooperation in helping customers who are facing the stress and hardship of COVID-19,” said Commission Chair John B. Rhodes. “We will remain vigilant to ensure that New Yorkers can count on the availability of their critical utility services.”

NYAW will postpone its April 1, 2020 rate increase of $4.3 million for Service Area 1 customers and $3.1 million for its Service Area 2 customers until September 1, 2020. This will impact approximately 125,000 customers, most of whom are on Long Island. By agreeing to postpone the rate increases, New York American Water will delay the impact these increases would have on its customers during this difficult time.

NYAW provides residential and non-residential metered and other water services as well as public and private fire protection services in parts of Nassau, Putnam, Sullivan, Ulster, Washington, and Westchester counties. American Water has about 125,000 customers systemwide, including about 123,000 customers on Long Island. Service Area 1 consists of two Long Island districts, Lynbrook and Mill Neck Estates, and several smaller upstate water districts: Cambridge, Dyker, Kingsvale, Waccabuc, Wild Oaks, Mt. Ebo, Lucas Estates, and Spring Glen Lake. Service Area 2 includes the Merrick and Sea Cliff districts, both located on Long Island.

National Grid upstate will also postpone its April 1, 2020 electric delivery rate increase of $89.6 million and its gas delivery rate increase of $21.5 million until July 1, 2020. This will impact approximately 1.6 million electric customers and 640,000 gas customers in its upstate service territory. By agreeing to
postpone the rate increases, National Grid upstate will delay the impact these increases would have on its customers during this difficult time. National Grid upstate is also maintaining the current benefits that low-income customers receive. Lastly, National Grid upstate, and its downstate gas utilities, KEDNY and KEDLI, will waive fees associated with certain collection-related activities, including customer disconnections, and non-essential services, such as manual meter reads, that have been suspended as a result of the COVID-19 pandemic.

National Grid upstate and NYAW are the only major utilities in New York State that were due to increase their rates on April 1. The Department of Public Service will be asking other utilities to consider postponing rate increases, depending on continued movement reductions due to the COVID-19 public health emergency.

Today’s announcement joins other utility actions designed to reduce the impact that COVID-19 is having on utility customers. The State’s major electric and gas utilities — Con Edison, National Grid, Central Hudson, Orange and Rockland, New York State Electric and Gas, Rochester Gas and Electric, PSEG Long Island and National Fuel Gas — and major private water companies suspended shut-offs for customers, and offered assistance to customers impacted by COVID-19 who may be experiencing financial hardship.

Today’s decision may be obtained by going to the Commission Documents section of the Commission’s Web site at www.dps.ny.gov and entering the relevant Case Numbers (14-M-0565; 16-G-0058; 16-G-0059; 16-W-0259; 17-E-0238; or 17-G-0239) in the input box labeled “Search for Case/Matter Number”. Commission documents may also be obtained from the Commission’s Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.

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