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GOVERNOR ANDREW M. CUOMO

## **Governor Cuomo Announces PSC Action Ordering National Grid to Immediately Connect Over 1,100 Residential & Small Business Gas Customers Previously Denied Service by Moratorium**

*Natural Gas Utility Faces Millions of Dollars in Potential Penalties for Failure to Connect Customers in Investigation Done by Public Service Commission*

*Governor Cuomo Announces Expanded Investigation to Examine Whether National Grid Properly Planned for Reliability to Meet Customer Needs This Winter*

Governor Andrew M. Cuomo today announced that National Grid is facing millions of dollars in penalties for failing to connect existing residential customers with natural gas as required by the Public Service Law and was directed to immediately connect more than 1,100 customers that were previously denied service. Governor Cuomo also announced that the Department of Public Service is expanding its ongoing investigation to examine whether the company properly planned for reliably meeting the needs of its customers given that the utility faces supply constraints this winter. National Grid's proposed pipeline, if permitted, would not be in service until December 2020 at the earliest. There are alternative forms of gas delivery beyond pipelines; their failure to adequately anticipate this issue and provide for it will immediately be under review.

"It is the fundamental responsibility of our utilities to provide reliable service," Governor Cuomo said. "National Grid has acted in bad faith throughout this process -- first by denying over 1,100 eligible customers with service and now by failing to fulfill its core responsibility. Today, National Grid is being ordered to immediately connect those 1,100 customers, and I have directed DPS to expand their ongoing investigation to include potential negligence in not preparing for the months ahead. Make no mistake, New York will hold National Grid accountable."

Upon the preliminary conclusion of the Public Service Commission's investigation, PSC Chairman John Rhodes today issued an order to show cause directing National Grid to immediately connect 1,157 residential and small commercial customers, and to implement an alternative supply and demand reduction plan to ensure the safety and reliability of the gas system. The order also commences a penalty proceeding against the utility for alleged violations of the Public Service Law.

John Rhodes, Chair of the Public Service Commission said, "With the winter heating season beginning, the Department of Public Service has determined that immediate action is warranted to address the customer hardships created by National Grid's unwarranted denial of service for 1,157 of its customers in New York City and Long Island. The law requires utilities to provide gas service without unreasonable qualifications or lengthy delay when sufficient gas supply exists, which the order alleges is the case for these previously existing customers of National Grid who found themselves suddenly cut off from gas without adequate warning and preparation."

The order notes that there are numerous options available to National Grid to ensure safe and reliable service, including the implementation of aggressive demand response and energy efficiency programs, and alternative supply options, that could, at a minimum, accommodate the limited load associated with the 1,157 residential and small commercial customers at issue. In addition, implementation of these demand and supply options may also allow the company to provide service to the numerous other customers denied service to date, and the Department has required the company to develop plans to address these hardships as well.

The Chair's order notes that the investigation has been expanded to review the company's reliability planning protocols given that we are entering the cold-weather period and the pipeline that the company has depended on would not have been available this winter even if it had already been approved.

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