



For Immediate Release: 10/07/21

Rory M. Christian, Chair

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov>

<http://twitter.com/NYSDPS>

21101 / 20-G-0086; 20-G-0087

PSC Acts to Reduce Natural Gas Usage in National Grid's Downstate Service Territory

Changes Made to Demand Response Programs Will Mean Less Natural Gas Usage

Customers Encouraged to Use Smart Technology Systems Such as Nest Thermostats to Lower Consumption

ALBANY — The New York State Public Service Commission (Commission) today approved changes to the gas demand-response programs for residential and commercial customers for National Grid's two downstate natural gas utilities. The changes will provide additional options for customers to participate in both the commercial-focused performance-based programs as well as the residential-focused "bring your own thermostat" program designed to reduce gas consumption during cold weather and peak gas usage events during the winter-heating season.

"In keeping with our nation-leading clean energy mandates, our bottom-line goal is to reduce natural gas consumption and make all of our utilities more energy efficient," **said Commission Chair Rory M. Christian.** "These modifications will make the gas demand response programs easier to participate in and more valuable for participants, while providing greater usefulness and reliability for the companies in managing firm customer peak demand and thereby help to manage the companies' pipeline capacity constraints."

In August, the Commission ruled that New York's nation-leading Climate Leadership and Community Protection Act (CLCPA) requirements must be factored into utility rate cases. The modifications to the programs proposed by The Brooklyn Union Gas Company d/b/a National Grid NY (KEDNY) and KeySpan Gas East Corp. d/b/a National Grid (KEDLI) make the programs more closely aligned to similar performance-based demand response programs such as those run by some electric utilities, and are consistent with the CLCPA.

Natural gas demand-response programs provide an opportunity for consumers to play a significant role in the operation of the natural gas grid by reducing or shifting their usage during peak periods in response to time-based rates or other forms of financial incentives. Demand-response programs are being used as resource options for balancing supply and demand. As established in National Grid's supplement to its long-term plan for the downstate service territories, demand-response programs, and customer participation in them, will help ensure that National Grid successfully meets customer needs.

The modifications to National Grid's gas-demand programs include revising incentive payment rates for the program; allowing all applicable customers on Long Island to participate in the Bring Your Own Thermostat (BYOT) program; and allowing customers with Nest thermostats to participate in the BYOT program. These changes will open participation in the winter gas BYOT program for the more than 27,000 PSEG-LI electric customers already participating in the summer electric BYOT programs, and customers in both New York City and Long Island using the Nest thermostat, among the most popular smart thermostat models on the market.

New York State's nation-leading climate agenda is the most aggressive climate and clean energy initiative in the nation, calling for an orderly and just transition to clean energy that creates jobs and continues fostering a green economy as New York State recovers from the COVID-19 pandemic. Enshrined into law through the Climate Leadership and Community Protection Act, New York is on a path to achieve its mandated goal of a zero-emission electricity sector by 2040, including 70 percent renewable energy generation by 2030, and to reach economy wide carbon neutrality. It builds on New York's unprecedented investments to ramp-up clean energy including over \$21 billion in 91 large-scale renewable projects across the State, \$6.8 billion to reduce buildings emissions, \$1.8 billion to scale up solar, more than \$1 billion for clean transportation initiatives, and over \$1.2 billion in NY Green Bank commitments. Combined, these investments are supporting more than 150,000 jobs in New York's clean energy sector in 2019, a 2,100 percent growth in the distributed solar sector since 2011 and a commitment to develop 9,000 megawatts of offshore wind by 2035. Under the Climate Act, New York will build on this progress and reduce greenhouse gas emissions by 85 percent from 1990 levels by 2050, while ensuring that at least 35 percent with a goal of 40 percent of the benefits of clean energy investments are directed to disadvantaged communities, and advance progress towards the State's 2025 energy efficiency target of reducing on-site energy consumption by 185 trillion BTUs of end-use energy savings.

Today's decisions may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Numbers 20-G-0086 or 20-G-0087 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. 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.