

STATE OF NEW YORK

Public Service Commission

Garry A. Brown, Chairman

Three Empire State Plaza, Albany, NY 12223

Further Details: James Denn

James.denn@dps.ny.gov | 518.474.7080

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

<http://twitter.com/NYS DPS>

13024/12-G-0544

PSC SEEKS INPUT ON NATIONAL GRID NY GAS RATES

— Two-Year Rate Plan With No Rate Increase Proposed —

Albany, NY – 04/23/13 – The New York State Public Service Commission (Commission) is seeking comment concerning a joint proposal that recommends natural gas delivery rates remain unchanged for National Grid NY for two years, and the company's allowed rate of return would decrease from 9.8 percent to 9.4 percent.

On February 22, 2012, a joint proposal was filed by National Grid NY, NYS Department of Public Service staff, and Queens Gas Consumers, a group of approximately 40 natural gas business consumers located in the company's service territory, to extend the company's current rate plan for two more years. The company's current rate plan had a five-year term that was set to end on December 31, 2012.

The joint proposal includes the following terms:

- A change in the earnings sharing provisions such that at the end of calendar year 2014, 80 percent of the rate year 2013 and 2014 earnings that exceed the 9.4 percent target would be applied as a credit against environmental remediation balances for the benefit of customers;
- A further change in earnings sharing, effective for calendar year 2015 and prospectively, requiring 100 percent of any earnings over 9.4 percent to be applied as a customer credit against environmental remediation balances if the company does not file for new rates by January 31, 2015;

- The establishment of modified performance measures for gas safety and customer service; and
- Increased funding for the company's low-income discount program.

A full copy of the Joint Proposal may be viewed, printed, or downloaded from the Commission website at:

<http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={4A318B63-494D-45D1-A803-AD741E75776A}>

The Commission may adopt, adopt with changes, or reject any of the terms of the pending proposal. The Commission also may adopt terms other than those proposed.

Public Statement Hearings

The public will have an opportunity to present their comments at the hearing before an Administrative Law Judge. A verbatim transcript of the hearing will be made for inclusion in the record of the proceeding.

The public statement hearings will be held as follows:

TUESDAY, May 7, 2013
Brooklyn Borough Hall
Court Room, Second Floor
209 Joralemon Street
Brooklyn, NY
3:30 p.m. & 7:00 p.m.

It is not necessary to make an appointment in advance or to present written material in order to speak at the public statement hearing. Speakers will be called after completing a card requesting time to speak. Disabled persons requiring special accommodations may place a collect call to the Department of Public Service's Human Resources Management Office at (518) 474-2520 as soon as possible. TDD users may request a sign language interpreter by placing a call through the New York Relay Service at 711 to reach the Department of Public Service's Human

Resource Office at the previously mentioned number. If you have difficulty understanding English, please call the Department at 1-800-342-3377 for free language assistance services regarding this press release.

Other Ways to Comment

Internet or Mail: In addition to the formal hearings, comments may be sent electronically to the Acting Secretary, at secretary@dps.ny.gov, or mailed or delivered to Hon. Jeffrey C. Cohen, Acting Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350. Your comments should refer to “Case 12-G-0544 – Brooklyn Union Gas Company d/b/a National Grid NY’s Rates.”

Toll-free Opinion Line: Comments may also be submitted through the Commission’s Opinion Line at 1-800-335-2120. This number is designed to take comments about pending cases from in-state callers, 24 hours a day. Callers should press “1” to leave comments.