

RATE HIKE PROPOSED

National Grid seeks jump of 6.92% in delivery rates

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National Grid will make a formal request Tuesday to increase delivery rates next year by 6.92 percent, hiking average residential bills by \$6.53 a month, the company said.

The move, if approved, would mark the fourth year National Grid has increased natural gas rates, following delivery charge increases of between 7.3 percent and 9.4 percent from 2017 to 2019.

The 2020 request would amount to a 5.15 percent jump in average total bills. Bigger users would see a greater dollar increase.

The requested hike, if approved by the Public Service Commission after a state-mandated review, would allow the company to increase annual revenue by \$49 million from its nearly 600,000 customers on Long Island and the Rockaways, said John Bruckner, president of National Grid New York.

In a separate filing, National Grid is requesting a rate hike for its customers in New York City that would see a \$16.50 average monthly increase, on a delivery charge hike of 17.78 percent, for a total \$236 million from New York City customers.

On Long Island, revenue collected via the rate hike would allow National Grid to continue an effort to replace 620 miles of leak-prone pipe, increase safety, technology and efficiency measures, and increase the company's rate of return to 9.65 percent from a current 9 percent, Bruckner said.

The filing assumes National Grid will receive approval for the Northeast Supply Enhancement pipeline, a controversial 24-mile gas line that would in-



National Grid's proposed rate hike would go before the Public Service Commission after a state-mandated review.

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crease local supply by 14 percent. National Grid says the pipeline would address a local shortage, but critics say ap-

proving it is a move backward, because fossil fuels are being replaced by green energy, such as wind and solar power.

National Grid has already telegraphed planned moratoriums on new large- and mid-size commercial customer hookups if the \$1 billion supply line isn't approved by the state Department of Environmental Conservation by May 15.

Should it be rejected, National Grid said, the company would have to update the rate hike case, with a slightly larger requested increase, and also suspend new residential hookups and conversions, which amount to about 7,800 a year.

Bruckner said he was “optimistic” about approval. “I’m

confident in our story with respect to why we need it [the new pipeline] and what the consequences are” if it's not approved, he said.

Richard Berkley, executive director of the Public Utility Law Project, a watchdog group, said the requested increase is likely to hit low- to moderate-income customers and seniors on fixed incomes harder than most, and the group will work to lower it. He also said he expects National Grid to ask for bigger increases in coming years, particularly if the company does not get approval of the new gas pipeline.

“We’ll push as hard as we can to make sure they don’t break the affordability gap for low- and moderate-income Long Islanders,” Berkley said.

The request for an increase

comes even after National Grid announced it had laid off about 160 management employees this month, citing the need for more efficiencies and improved service. Bruckner said the impact of the “pre-emptive” cuts would help moderate the requested increase.

Senior advocacy group AARP registered immediate opposition to the National Grid rate hike for Long Island, where the group's nearly 500,000 members are already up in arms about high energy bills, an official said.

“We will be looking to lower those proposed increases for Long Island and Brooklyn,” AARP's New York legislative representative, Bill Ferris, said, noting such increases disproportionately hurt seniors on fixed incomes.