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Community and Advocates Respond to National Grid’s “Ruthless” Request to Raise Gas Bills to Fund More Fracked Gas Infrastructure, Call on Albany to Pass NY HEAT Act

The downstate NY gas utility National Grid, which serves Long Island and parts of New York City, has filed a request with energy regulators to raise average gas heating bills by about $30 per month to fund over $1.3 billion in investments into the utility’s gas system and increase profits for shareholders. Two controversial gas expansion projects from the 2019 rate hike request – the North Brooklyn Pipeline Phase 5 and the Liquified “Natural” Gas Vaporizers – are not included, meaning those projects are still off the table after independent assessments of the projects found they were not currently needed.

In response to the utility's filing, Sane Energy Project, the No North Brooklyn Pipeline Alliance, and Alliance for a Green Economy celebrated the community-driven opposition that continues to stave off Phase 5 of the pipeline and liquefied natural gas (LNG) vaporizer expansion projects. But the groups pointed out that even without those toxic and unnecessary projects, National Grid’s rate hike request is outrageous, and continues its legacy of harming communities and the climate for profits. The request also demonstrates the increasing costs to simply maintain the gas system when New York should rapidly move to reliable, safe, and climate-friendly infrastructure like district thermal energy networks (TENs). They called on elected officials, including Governor Hochul, to oppose the massive rate hike request and to pass the NY HEAT Act that would break the cycle of these abusive and destructive rate hike requests.

The NY HEAT Act would lower energy bills while ushering in a new way for utilities to provide service for its customers. Instead of being forced by an antiquated public service law to keep expanding and rebuilding the costly and archaic fracked gas system, the utility would be required to consider and implement more cost-effective climate friendly services like TENs to deliver energy to its customers. The bill would end the over $200 million in annual subsidies that gas customers are paying to hook new customers to the gas system, and would help avoid at
least some of the $150 billion in upcoming replacements for old pipes. Another popular provision of the NY HEAT Act would cap energy bills for low and moderate income customers at 6% of their household income. National Grid’s filing shows that replacing the older pipes in its system costs over $10 million per mile in its New York City Territory and over $2.5 million per mile in its Long Island territory.

In National Grid’s opening letter to the NYS Department of Public Service (DPS) accompanying its 2023 rate hike filing, it states the company’s “vision is to be at the heart of a clean, fair, and affordable energy future”, yet contrary to these public-facing claims, National Grid, through its front lobbying group “New Yorkers for Affordable Energy”, has been opposing the NY HEAT Act, even though the bill is the major energy affordability bill being considered this legislative session.

“Just last month, a diverse crowd of New York advocates demonstrated their political power and successfully protected the state’s climate law from Governor Hochul’s attempt to reward the fracked gas industry by gutting the Climate Leadership and Community Protection Act. She is on watch with the majority of New Yorkers fighting for aggressive climate justice action,” said Jeanne Bergman, Advisor on Policy and Sustainability at Sane Energy Project. “We will not tolerate another three years watching fracked gas pipelines get built in our neighborhoods on our dime.”

“It is outrageous that National Grid continues to ignore the very clear climate science and the very clear message from New Yorkers that we want to transition off gas and we don’t want to keep paying for costly and unnecessary gas infrastructure,” said Kier Blake, co-founder and Director of Community Partnerships at Start:Empowerment. “We have solutions that will give us the energy we need without harmful pollution and climate damage, and we need National Grid to provide those instead of forcing us to stay on gas.”

“If the NY HEAT Act had passed, we wouldn’t have seen such a big rate hike proposed by National Grid because they wouldn’t have been able to pass the over $200 million for new customer connections on to customers,” said Jaye Ferretti, Coordinator Team of the No North Brooklyn Pipeline Alliance. “They also would have to look for more cost-effective alternatives to the almost $400 million in leak prone pipe replacement they are asking for. This rate hike is not just the fault of National Grid, which has been fighting the passage of the NY HEAT Act, but it’s also on Governor Hochul, who has failed now for two years to prioritize passage of that bill.”

“Elected officials, including Governor Hochul, love to speak up against high utility bills and to blame utilities for the problem”, said Kevin LaCherra, Greenpoint resident. “And National Grid is definitely a big problem, but these proposed rate hikes are also the result of inaction by the NY Legislature and the Governor, who have failed to act urgently to update the laws that govern National Grid.”
“We have only about 6 weeks left in the legislative session to change the laws that allow utilities like National Grid to keep spending on gas infrastructure instead of solutions,” said Jessica Azulay, Executive Director of Alliance for a Green Economy. “The NY HEAT Act is sitting in the Corporations Committee in the Assembly right now. We call on Assembly members Kimberly Jean-Pierre, Stacey Pheffer Amato, Vivian Cook, Jessica González-Rojas, Robert Carroll, Erik Dilan, Stefani Zinerman, and Charles Fall who are members of that committee and represent National Grid customers to get that bill moving and passed in that committee right away.”

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