STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

In the Matter of Implementation of the All-Electric Buildings Act	)))	Case 25-M-0149

National Grid's Supplemental Comments on Department of Public Service Staff's White Paper

KeySpan Gas East Corporation d/b/a National Grid ("KEDLI"), Niagara Mohawk Power Corporation d/b/a National Grid ("Niagara Mohawk"), and The Brooklyn Union Gas Company d/b/a National Grid NY ("KEDNY") (together "National Grid" or "the Companies") provide these comments in response to the Public Service Commission's March 11, 2025 Notice Soliciting Comments.[1] The Companies' comments here supplement separate comments submitted this date by the Joint Utilities,[2] which National Grid also supports. National Grid submits these supplemental comments to respond to issues raised in this proceeding that are specific to one or more of the Companies, as well as address other issues not addressed in the Joint Utilities' comments.

Response to Public Comments

Public comments submitted by several individuals or entities ("Commenters") associated with the Capital Region Builders & Remodelers Association ("CRBRA") refer to the Niagara Mohawk's Electric Tariff P.S.C. No. 220, Rule 16, and the Commenters' interpretation of how this tariff rule applies to allowances for new electric service connections. Specifically, the

[1] Case 25-M-0149, *In the Matter of Implementation of the All-Electric Buildings Act*, Notice Soliciting Comments (March 11, 2025). On May 19, 2025, the Commission extended the due date for comments to June 2, 2025.
[2] The Joint Utilities are: Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation, and National Grid.

Commenters state that Niagara Mohawk's Electric Tariff "provides developers a 100-foot allowance for single-phase service, with no comparable credit for three-phase upgrades." The Commenters' interpretation of Niagara Mohawk's Electric Tariff describes operation of the rules that were in place prior to the Commission's Order in Case 16-E-0637,[3] however, following that Order, Niagara Mohawk's Electric Tariff was revised such that the Company will provide 100 feet of whatever electric service is necessary to provide safe and adequate service to the applicant. Specifically, Rule 16.4.1.1 of the Electric Tariff provides:

> 16.4.1.1 Upon receipt of a proper application for underground residential service and when underground service is required by governmental jurisdiction, the Company will install underground distribution lines and contribute towards the cost for service laterals. Each applicant is entitled to 100 feet of free underground distribution line, or the equivalent cost of 100 feet of service lateral credit as defined in Rule 16.4.6, measured from the connection point at the bottom of the riser pole for overhead to underground connections. For multiple occupancy buildings, the free underground line entitlement is equal to 100 feet times the average number of dwelling units per floor. *As set forth in the Commission's order in Case 16-E-0637, the applicant's 100 foot entitlement may include single or multiple phase service depending on the requirements deemed necessary by the Company for service.* (Emphasis added).

Niagara Mohawk does not distinguish between single-phase and three-phase service in the provision of the 100-foot allowance necessary to serve an applicant when multiple phases are required to provide safe and adequate service. Niagara Mohawk communicates regularly with builders and developers and intends to reach out to the developer community soon to address and resolve what appears to be a misunderstanding of the operation of the Electric Tariff. Notwithstanding what Commenters have stated, it is clear that the Electric Tariff provides consideration of multiple phase facility installations in the application of allowances. No change is needed to Electric Tariff.

[3] Case 16-E-0637, *Complaint of Megnin Farms at Poolsbrooke LLC Against Niagara Mohawk Power Corporation Concerning Contribution Costs for Three-Phase Service*, Order Directing Tariff Revisions (February 23, 2017).

Other Issues

Inflight Projects

In considering the reasonableness of requests for a Grid Exemption under the All-Electric Buildings Act,[4] the comments filed this date by the Joint Utilities find that application of a time-based criteria as proposed in the Department of Public Service Staff White Paper is reasonable, and National Grid supports that position. Establishing consistent, clear criteria will enable developers of new projects to understand better the costs of their projects ahead of time. However, for developers of inflight multi-phase projects that straddle the Act's effective date, applying the Act's fossil fuel equipment prohibitions to phases that come after the effective date could undermine investments made on reasonably held expectations, and potentially jeopardize subsequent project phases. For example, a multi-phase residential development that is not all-electric and that was approved by the local jurisdictional authority in 2024 or 2025, with initial phases under construction or complete, the later phases planned but not having broken ground, and the underground electric and gas utility infrastructure having been installed based on serving all phases of the development with electric and gas service. On and after December 31, 2025, if homes constructed in the initial or latter phases are required to be all electric, then the gas infrastructure installed in 2024 or 2025 to serve the planned development may not be fully utilized, and the installed electric infrastructure (*e.g.,* cable, transformers) may have insufficient capacity to meet the increased load of subsequent all-electric phases. Such a result would add time and costs to a previously approved project, and could even affect the completion of the

[4] All-Electric Buildings Act, Part RR of Chapter 56 of the Laws of 2023 (the "Act"). The Act provides an exemption from the fossil-fuel equipment prohibitions in new buildings "when electric service cannot be reasonably provided by the grid ..." and provides that the "the public service commission shall determine reasonableness for purposes of this exemption." (Energy Law § 11-104(7)(e) ("Grid Exemption")).

project altogether, which in turn could affect the cost and availability of housing at a time when the State is facing housing challenges.[5]

The New York State Department of State ("Department") has not finalized changes to the State Uniform Fire Prevention & Building Code (19 NYCRR Parts 1219 to 1229) ("Uniform Code") or the State Energy Conservation Construction Code (19 NYCRR Part 1240) ("Energy Code") to implement the All-Electric Buildings Act, and the Companies filed comments with the Department recommending clarification in the final rules that inflight projects with prior development approvals would not be forced to proceed on an all-electric basis if doing so would undermine the prior approval. Because the Department has not yet finalized its rules, and given the Commission's authority under the Act to "determine reasonableness for purposes of this [grid] exemption," the Companies respectfully request that the Commission find that inflight multi-phase projects may qualify for a Grid Exemption. For an inflight project to receive a Grid Exemption, the connecting utility would have to find that an exemption is necessary to prevent economic waste in connection with utility facilities and investments associated the project. Upon such a determination by the connecting utility, the applicant would qualify for a Grid Exemption.

Encouraging Integrated Energy Planning

Projects that do qualify for an exemption under the Act nevertheless should be encouraged to work with their respective utility to implement technologies to mitigate their demand on the State's energy system and mitigate greenhouse gas ("GHG") emissions. National Grid is developing the practice of integrated energy planning ("IEP") to enable considerations of critical interactions with the gas, electric, and customer energy systems into the utility planning

[5] Developers also typically would have provided financial security (i.e. cash deposit or letter of credit) to the utility to install the underground electric and gas infrastructure.

processes in the context of achieving long-term climate goals in the least-cost and most orderly way, while promoting equity. IEP can enable the electrification of heat in a reliable and cost-effective manner, supporting an orderly energy transition.

Conclusion

The transition to a cleaner, decarbonized energy system requires participation from everyone. The broad embrace of the transition will be influenced in part by how smoothly it is implemented. The recommendations National Grid presents are intended to mitigate the potential disruption from the All-Electric Buildings Act for inflight projects supported by preexisting investments. In addition, the success of the transition requires all the tools available. The implementation of IEP practices and principles can help achieve the GHG emissions mitigation goals, optimize energy systems, and provide better outcomes for the State's utility customers.

Dated: June 2, 2025

Respectfully submitted,

KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID, NIAGARA MOHAWK POWER CORPORATION d/b/a NATIONAL GRID, and THE BROOKLYN UNION GAS COMPANY d/b/a NATIONAL GRID NY

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