

National Grid Files Initial Long-Term Plan to Achieve State's Clean Energy Goals and Align Gas System Capacity with Customer Energy Needs



Plan Advances National Grid's Ongoing Work to Build a Smarter, Stronger, and Cleaner Energy System

In accordance with the New York Public Service Commission (PSC) Order Adopting Gas System Planning Process, on May 31, 2024, National Grid submitted the company's Initial Long-Term Gas Plan. This plan outlines the steps the company and the State need to take to put New York on track to achieve the State's Climate Leadership and Community Protection Act's emission reduction goals.

National Grid is committed to enabling New York to achieve the ambitious and essential climate action mandates established by the Climate Leadership and Community Protection Act (CLCPA) and supports a coordinated statewide plan to decarbonize the gas system. The company is advancing plans to achieve net zero emissions by 2050 in its own operations, and recently announced a [commitment to invest \\$21 billion](#) in infrastructure investments to modernize its infrastructure and enable more widespread use of renewable energy.

The Initial Long-Term Plan aligns these commitments with National Grid's obligation to ensure safe, reliable service for 2.5 million New York households and businesses. The plan provides a detailed assessment of forecasted gas demand and supply in three potential scenarios:

- **Reference Case** – represents a continuation of current policies and trends, and does not achieve New York's nor National Grid's objectives for a decarbonized and fossil-free gas network by 2050.
- **Clean Energy Vision (CEV)** – National Grid's hybrid approach where the majority of heating demand in 2050 is met through electrification and energy efficiency, while the existing gas network is transformed to play a complementary role to deliver low-carbon fuels. This scenario reduces the carbon intensity of the energy currently delivered by National Grid's gas system with the lowest cost to customers and the highest benefit cost ratio according to the analysis.
- **Accelerated Electrification** – based on Scenario 3 from the CLCPA's Integration Analysis, using significant volumes of low-carbon alternatives, albeit at lower levels than the CEV and assumes higher levels of electrification. This scenario reduces the carbon intensity of the energy currently delivered by National Grid's gas system at a higher cost and with lower benefit-cost ratio than the CEV according to the analysis.

National Grid's data and forecasts show that customer demand for gas is growing and will continue to grow in the future, despite existing energy efficiency and heat electrification programs. Soon, peak gas demand will exceed available gas capacity across National Grid's service areas. Preserving safe, reliable energy service for all New Yorkers will require near-term investments in existing gas infrastructure and ongoing maintenance of the gas network.

Transitioning to a decarbonized gas system will require transformative policy and regulations. **This analysis suggests that National Grid's [Clean Energy Vision](#) remains the best available approach to achieve New York's decarbonization goals.** The plan also shows that the policy and regulatory innovation to achieve the Clean Energy Vision or the Accelerated Electrification scenario are essentially the same. Both scenarios require substantially more energy efficiency, electrification of heat, and low-carbon alternative fuels like renewable natural gas (RNG) and clean hydrogen than can be deployed under existing conditions. This Long-Term Plan makes that case that New York must act now to develop all of these resources at scale as soon as possible to decarbonize the gas system, whether the future looks more like the Clean Energy Vision or the Accelerated Electrification Scenario, and calls on policymakers, regulators, and stakeholders to work together to resolve the important barriers preventing either scenario from becoming a reality.

Prior to today's filing, National Grid hosted an informational session for stakeholders to share information regarding the company's natural gas system and the long-term planning process. Over the coming months, interested parties will have an opportunity to submit feedback on National Grid's Long-Term Plan. An independent consultant selected by the PSC will also participate in the process and provide an analysis of National Grid's plan.

More information about the Long-Term Gas System Planning Process, including National Grid's Initial Long-Term Plan, is available [here](#).