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Rory M. Christian, Chair

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Commission Rules Against New York City Gas Project

After Detailed Engineering Study and Public Comment Period, PSC Determines Greenpoint Gas Vaporizers Not Needed

ALBANY — The New York State Public Service Commission (Commission) today determined that National Grid’s proposed gas vaporizers project in the Greenpoint neighborhood of Brooklyn is not necessary to meet a reasonable forecast of peak demand at this time. As a result, the Commission denied the company’s petition seeking cost recovery for the project.

“The detailed and thorough analysis provided by Department staff and an independent, third-party advisor clearly demonstrated that the utility’s updated forecast of peak demand, which showed a reduction in projected peak demand, means that the project is not needed at this time,” **said Commission Chair Rory M. Christian.** “While the project has certain reliability benefits, now is not the time to build it. Instead, now is the time for National Grid to redouble its efforts at energy efficiency and other demand-side management programs to further delay or entirely avoid the need for the project.”

The Commission’s decision today comes after the Commission held four public statement hearings and heard from hundreds of residents about the project. Together, the Commission received written or oral public comments from more than 1,200 individuals or groups.

Although the project to install two additional vaporizers at the Greenpoint Liquefied Natural Gas facility is not needed at this time, the Commission did find that the utility, The Brooklyn Union Gas Company, a subsidiary of National Grid, could recover the \$10.5 million in design, engineering, permitting, and the costs of the independent consulting company, but not the remaining \$38.8 million in other costs incurred to date.

In its decision, the Commission agreed with an independent expert assessment that the project is not needed for at least the next five years, perhaps longer depending on demand for natural gas in the area. For over 50 years, the facility has provided gas service to customers in the community. Specifically, the vaporizers at the liquefied natural gas facility are used during periods of peak demand, when the weather is coldest, to meet customers’ heating needs. The company said the new vaporizers would have allowed the facility to deliver its current annual capacity at a faster rate to meet demand, with redundancy in the event of an emergency. The Greenpoint facility liquefies and stores natural gas during low demand periods in the summer for later use in periods of peak demand during the winter.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 19-G-0309 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.