



January 9, 2026

**VIA ELECTRONIC SUBMISSION**

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Submitted electronically to: [rggiprograms@nyserda.ny.gov](mailto:rggiprograms@nyserda.ny.gov)

**RE: DRAFT 2026 Regional Greenhouse Gas Initiative Operating Plan  
Amendment**

Dear President Harris:

Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid”) submits these comments regarding New York’s draft 2026 Regional Greenhouse Gas Initiative (“RGGI”) Operating Plan Amendment (“Operating Plan Amendment”) issued December 18, 2025. National Grid also is a member of the Environmental Energy Alliance of New York (“EEANY”), and supports the comments submitted by EEANY on the Operating Plan Amendment. The purpose of these separate comments is to recommend that the New York State Energy Research & Development Authority (“NYSERDA”) direct a greater proportion of RGGI auction proceeds to direct electric customer bill assistance than is currently proposed in the Operating Plan Amendment.

National Grid appreciates that affordability is a primary focus of the Operating Plan Amendment and supports NYSEDA’s continued investments in energy efficiency, clean energy, and innovation. We respectfully urge NYSEDA to strengthen the affordability focus of the Operating Plan Amendment by:

- Directing a defined portion of base RGGI auction proceeds to direct bill relief.
- If NYSEDA determines existing rules preclude allocating base proceeds to bill relief, directing 100 percent of any “excess” RGGI auction proceeds to direct bill relief rather than the 34 percent proposed.

These steps would meaningfully mitigate near-term customer bill impacts while maintaining NYSEDA’s ability to advance State policy objectives.

## Why additional bill relief is warranted now

New York customers are experiencing persistent affordability pressures from multiple sources, including investments required to enable the energy transition, inflationary impacts, and other policy-related costs. In 2024, an average New York residential household using 600 kWh per month would have paid approximately \$72 annually attributable to RGGI, based on an average spot allowance price of \$20.42 per ton of CO<sub>2</sub>. This is about five to six percent of a typical National Grid residential electric bill in 2024. As other cost drivers continue to put upward pressure on bills, using available RGGI revenues to provide more immediate and visible customer relief would benefit New Yorkers.

Importantly, allocating a larger share of proceeds to direct bill mitigation does not displace the long-term value of RGGI-supported clean energy investments. Rather, it balances near-term affordability with long-term decarbonization, supporting customer acceptance and the durability of the energy transition.

## Experience from other RGGI jurisdictions

Other RGGI states have for years directed material portions of auction proceeds to bill mitigation. For example, New Hampshire has allocated the vast majority of RGGI proceeds to direct bill assistance to reduce electric bills.<sup>1</sup> Maryland also has historically directed a significant share—approximately half over time—toward customer relief.<sup>2</sup> In August 2025, New Jersey allocated over \$123 million of RGGI funds to be used to provide credits directly on residential energy bills.<sup>3</sup> These examples demonstrate well-established, administrable pathways to deliver immediate rate relief without undermining program integrity.

NYSERDA’s allocation of RGGI auction proceeds for direct bill relief should:

- Enable on-bill credits to maximize visibility and reduce administrative burden.
- Preserve funding for programs that deliver proven bill savings over time, such as energy efficiency, while scaling near-term relief commensurate with affordability needs.
- Establish a clear trigger and methodology for “excess proceeds” to promote predictability.

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<sup>1</sup> New Hampshire provided 93% of its RGGI funds in direct bill assistance in 2023. RGGI Proceeds Report [https://www.rggi.org/sites/default/files/Uploads/Proceeds/RGGI\\_Proceeds\\_Report\\_2023.pdf](https://www.rggi.org/sites/default/files/Uploads/Proceeds/RGGI_Proceeds_Report_2023.pdf).

<sup>2</sup> Maryland’s Strategic Energy Investment Fund (SEIF) is substantially funded from RGGI proceeds, and that state’s Energy Universal Service Program (EUSP) Bill Assistance and Arrearage Retirement Assistance efforts are funded through the SEIF. See [https://energy.maryland.gov/SiteAssets/Pages/Strategic-Energy-Investment-Fund-\(SEIF\)-SEIF%20Vol%201%20FY24.pdf](https://energy.maryland.gov/SiteAssets/Pages/Strategic-Energy-Investment-Fund-(SEIF)-SEIF%20Vol%201%20FY24.pdf), p. 51.

<sup>3</sup> See New Jersey Board of Public Utilities Docket No. Q025070389, *In the Matter of the Establishment of the Residential Universal Bill Credit (“RUBC”)*, Order dated Aug. 13, 2025, effective Aug. 20, 2025, pp. 3, 5 (ordering over \$123 million of RGGI funds be directed to electric bill assistance for LMI households, and noting that across RGGI member states “approximately fifteen percent (15%) of the proceeds of RGGI auctions cumulatively have been spent on direct bill assistance programs for customers. Other states that have used RGGI funds for direct bill assistance include Maine, Maryland, New Hampshire, and Rhode Island” [footnotes omitted]); available at: <https://www.nj.gov/bpu/pdf/boardorders/2025/20250813/8F%20ORDER%20Residential%20Universal%20Bill%20Credit.pdf>.

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## **Conclusion**

National Grid supports NYSERDA's affordability focus and respectfully recommends directing a greater proportion of RGGI proceeds to direct bill relief—including a defined portion of base proceeds, where permissible, and otherwise 100 percent of excess proceeds—to address the immediate and significant affordability challenges facing New Yorkers while continuing to advance the State's clean energy transition.

Thank you for your consideration of these comments.

Respectfully submitted,

*/s/ Carlos A. Gavilondo*

Carlos A. Gavilondo