



NEW YORK STATE SENATOR

George D. Maziarz

Energy committee to hold hearing on National Grid accounting scandal

GEORGE D. MAZIARZ September 21, 2010

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Senator George Maziarz (R-C, Newfane), Chairman of the New York State Senate Energy and Telecommunications Committee, today expressed great concern over news reports about lavish expenditures at National Grid while the electric company is in the middle of seeking approval for a \$400 million rate hike in New York.

“Private school tuition for executives’ children, shipping wine overseas, expensive holiday parties—there is no way ratepayers should be forced to subsidize these things while they are struggling to pay their electric bills,” Senator Maziarz said. “How can we even contemplate approving rate hikes when this cloud is hanging over the whole process? We need to get to sort out this mess before National Grid’s rate hike request goes one step further.”

Senator Maziarz announced that he will be holding an official hearing of the Senate Energy and Telecommunications Committee in Hearing Room A of the Legislative Office Building in Albany on

Tuesday, October 19, 2010 beginning at 10:00 AM so that committee members can hear first-hand about what National Grid executives plan to do to correct accounting practices at the company. Representatives from the Public Service Commission will also be invited to testify.

“As representatives of the people, we have a responsibility to be their voice and ask the tough questions that need to be asked,” Senator Maziarz said.

In responding to media questions about the accounting scandal, National Grid CEO Steve Holliday acknowledged the company’s operations in the United States are “inadequate.” Senator Maziarz said this characterization needs to be explained more fully.

“If the operations are inadequate, what does that mean?” Senator Maziarz asked. “Are rate hikes the answer? Or should National Grid be looking at more operational efficiencies?” There are a whole host of questions that must be addressed before the company can think about justifying a rate hike.”

Senator Maziarz also said that he is filing paperwork to become an interested party in National Grid’s request to the New York State Public Service Commission for approval to increase electric rates on New Yorkers by \$400 million. This status confirms a full role for the senator in tracking and commenting on the proposed rate hike. The Public Service Commission was supposed to act on the request in early 2011, but Senator Maziarz has other ideas.

“The timetable for the rate hike must be re-evaluated, not only in light of the questions and answers presented in the upcoming Senate hearing, but also because the PSC and National Grid are launching their own investigations into the matter,” Senator Maziarz said. “More details are going to come to light, and the PSC must refrain from following any sort of pre-determined timetable.”

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