

CAPITAL INVESTMENT INCENTIVE

The **Capital Investment Incentive Program** provides funds to help offset customer costs associated with upgrading natural gas infrastructure to accommodate a business expansion or new construction project. Applicants must demonstrate that they are unable to secure sufficient funding for the project through federal, state, or local economic development programs. Application requests may include, but are not limited to the following:

- ❑ Improvements to National Grid's natural gas system, such as line extensions or upgrades to existing gas delivery infrastructure, that require a customer contribution in aid of construction.
- ❑ Customer costs associated with conversion from oil or other fuels to National Grid natural gas delivery service.
- ❑ Customer costs associated with equipment required to establish or expand natural gas service including but not limited to headers, pressure boosters, header pads or capital investment required to meet local building codes related to natural gas utilization
- ❑ Customer costs related to converting from firm to non-firm service as detailed below

Minimum Program Requirements: *Please review the program requirements and guidelines below prior to completing an application for funding.*

Note: Program assistance is only available to customers in good standing, located within National Grid's downstate New York service territory. Applicants must be current in payments with National Grid or have executed a deferred payment agreement with the Company.

To be eligible for this program, the **applicant** must:

- ❑ Be the customer of record (owner or lessee) of an eligible facility or prospective eligible facility;
- ❑ Demonstrate efforts to obtain state & local economic development incentives for the facility
 - ❑ Demonstrate the ability to attract and/or retain jobs and generate capital investment in the eligible facility; and
 - ❑ Make a capital investment (building, machinery and or equipment) that requires natural gas infrastructure improvements.

To be eligible for this program, the **facility (business) or prospective facility** must:

- ❑ Be located in National Grid's downstate New York service territory;
- ❑ Demonstrate efforts to obtain state & local economic development incentives for the Facility
- ❑ Demonstrate Industrial Development Agency (IDA) or other public development agency support for the project;
- ❑ Be currently served under -- or expected by National Grid to be served under -- one of the following natural gas service classifications: Long Island: SC-2A, SC-2B, SC-5-2A, SC-5-2B, SC-9, SC-18 and SC-19 or New York: SC-2-1, SC-2-2, SC-4A-C&G, SC-17-2-1, SC-17-2-2, SC-17-4A C&G, SC-18-22 (Commercial), SC-22 (Commercial)
- ❑ Be used for business purposes that can be classified in one of the following industry sectors:
 - Manufacturing
 - Regional warehousing/distribution centers
 - Scientific research and development
 - Data Centers
 - "Back office" operations such as data processing or customer service operations
 - Regional/national administrative centers or headquarter facilities
 - Agri Business and/or Aquaculture
 - Projects that become eligible for Excelsior Jobs Program tax credits from New York State, regardless of their industry classification

Funding and Eligibility Guidelines

Program funding and parameters are established annually by National Grid. Grants are available on a continual basis until all funding is expended during that program year. Funding is released to a grant award recipient only after the recipient has met all conditions of the program. In all circumstances, funding should be viewed by the applicant as a reimbursement for work completed following grant approval in the form of an award letter. The grant award recipient should expect to execute a Funding Agreement with National Grid. The Agreement will outline expectations of the grant program and the conditions for the release of funds.

Grant amounts listed are the maximum allowable award for each program. Each application is evaluated on a variety of factors, resulting in some not receiving the maximum grant award.

If you are applying to more than one program for the same project, you must indicate that clearly on the application.

Under no circumstance will funding be released after the expiration of the Company's current rate agreement or without prior written consent from National Grid.

Grant amounts are determined based on the **total** capital investment being made in

infrastructure, plant & equipment (including energy and non-energy related investments) as follows:

Total Capital Investment Total Available Funding not to Exceed:

\$100,000 to \$1 Million	\$50,000
\$1 Million to \$5 Million	\$250,000
\$5 Million and above	\$500,000

Program funds cannot represent more than 30% of the total capital investment costs (energy infrastructure and other related capital improvements).

Additional funding related to the costs of converting from firm to non-firm service will be up to 10% of the otherwise applicable grant amounts.

Program funds cannot exceed the final cost of energy related infrastructure Improvements related to the project.

Project must show evidence that a comprehensive assessment of energy efficiency measures was fully investigated and provide documentation pertaining to any completed or pending applications for energy efficiency incentives.

Priority consideration during the grant award process will be given to projects that commit to using self-generated or purchased renewable natural gas to satisfy some or all of their supply requirements.

How to Apply

To apply for the Natural Gas Capital Investment Incentive Program please:

Complete the program application online; and,
Upload all required documentation as noted at the end of your online application.

If you need assistance in completing the application, please contact Karen Mousaw via email at Karen.Mousaw@nationalgrid.com.