NEW YORK UTILITIES MAKE VAST PROFITS OFF RESIDENTS BY EXPANDING GAS SYSTEM

September 2025 | Renewable Heat Now

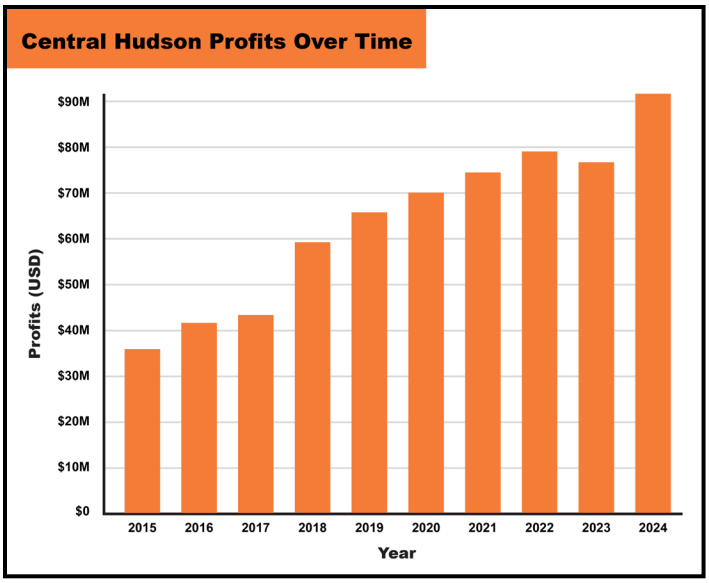


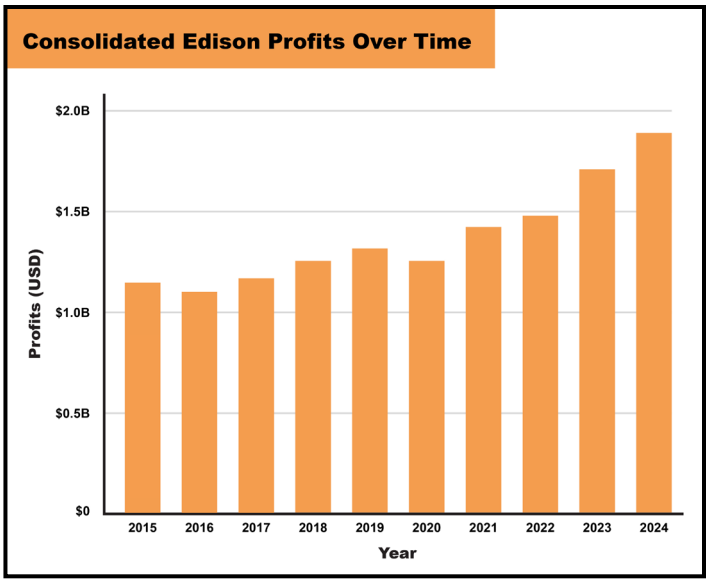
Utilities across New York State are earning record profits in recent years, with some corporations even doubling their earnings over the last decade. Investor-owned utilities earn profits by building energy infrastructure, the cost of which, plus a regulated return on equity, is then charged to customers in the form of ever-increasing rate hikes that the State continues to approve.

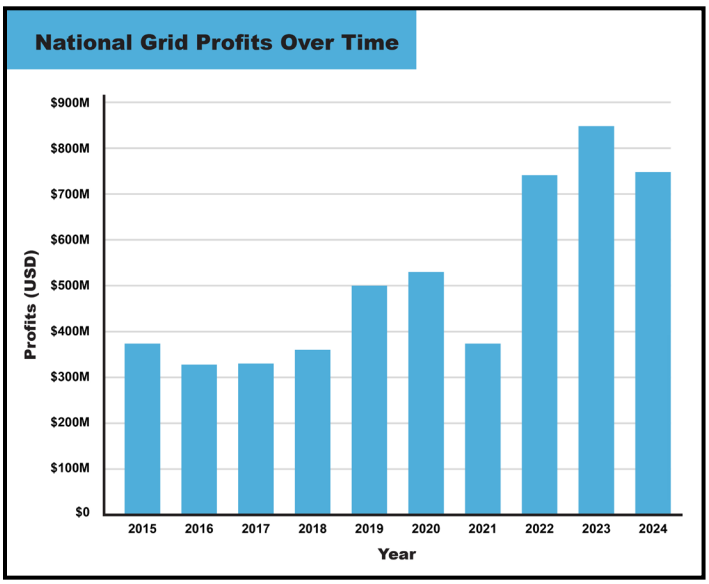
As more and more New Yorkers struggle to afford their energy bills, a new analysis of publicly available data shows that **the state's five major for-profit, investor-owned utility companies collectively increased their profits by over 63% in just the last decade**, with the biggest earning years occurring between 2022 and 2024. Together, the five utilities — which includes **Central Hudson Gas & Electric, Consolidated Edison** (Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc.), **National Grid** (KeySpan Gas East Corporation, Niagara Mohawk Power Corporation, and The Brooklyn Union Gas Company), **Avangrid** (New York State Electric & Gas and Rochester Gas & Electric), and **National Fuel Gas** — recorded their biggest collective profits in 2024, earning just short of $3.17 billion.[1]

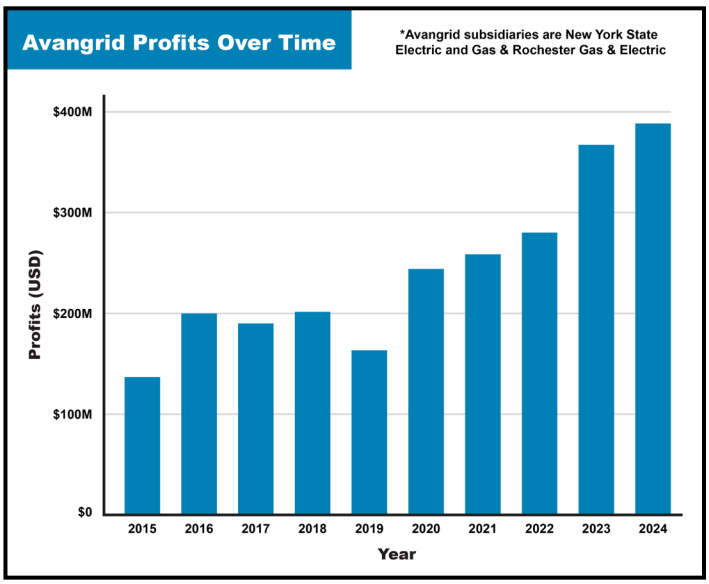
Central Hudson	**Profits doubled from 2015 to 2024, increasing from $45.6 million to $90.5 million.**
Consolidated Edison	**Profits increased by over 66% in the same period, ballooning from $1.13 billion in 2015 to $1.89 billion in 2024.**
National Grid	**Profits nearly doubled by a 98.7% increase over the decade, from $377.6 million in 2015 to $750.5 million in 2024, with a peak of $856.1 million in 2023.**
Avangrid **New York State Electric & Gas** **Rochester Gas & Electric**	**Profits saw a whopping 185% increase in profits since 2015, from $135.7 million in 2015 to a peak profit year of $387.2 million in 2024.**
National Fuel Gas	**Saw varied profits over the ten years, with its highest profit year in 2022 when the company made $68.9 million and its lowest profits in 2017 at $46.9 million.**

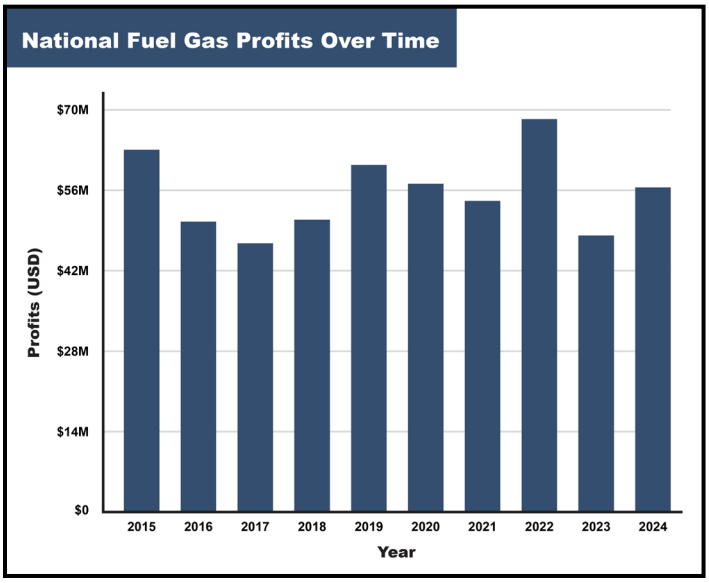
[1] Profit data is across gas, electric, and steam operations of utilities.











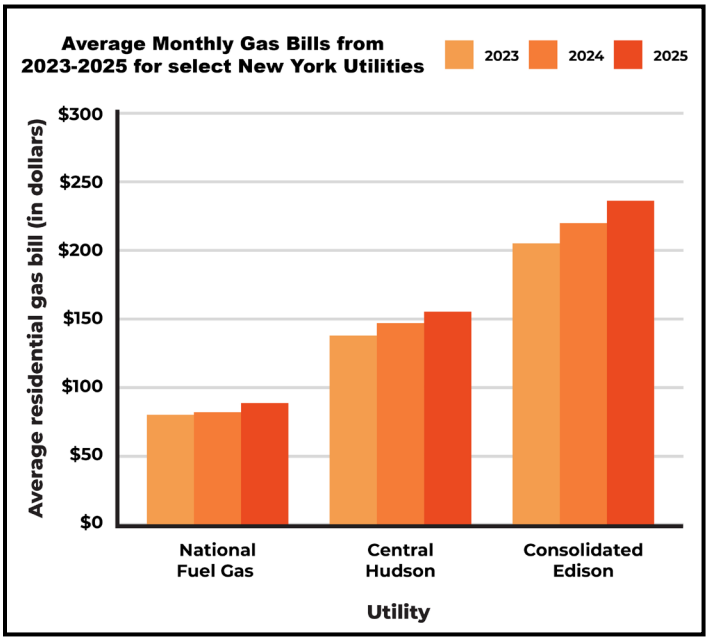
Ending Expensive Mandates: Modernizing New York's Energy System

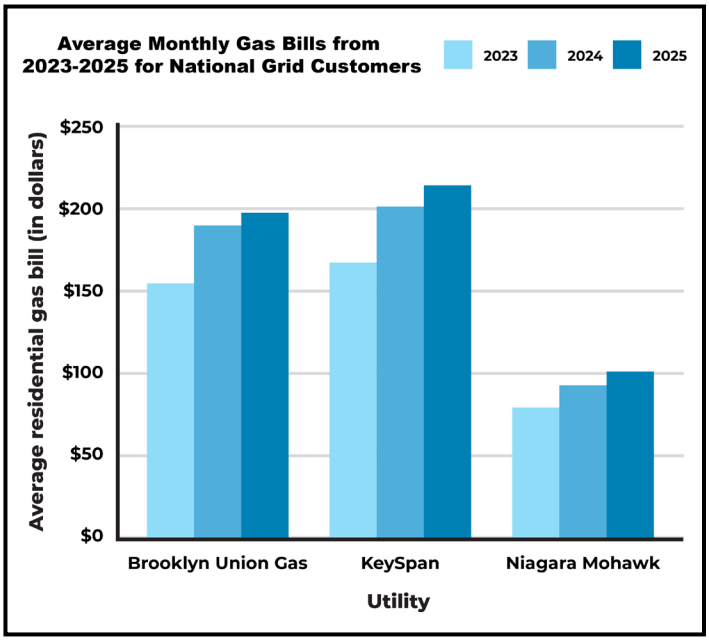
For decades, costly and hard to maintain fossil fuel infrastructure has been a cash-cow for New York utilities that have a vested interest in keeping households hooked on dirty energy sources. One way utilities profit off of new fossil fuel infrastructure is by expanding the gas system to bring in new customers. **A decades-old New York law called the "100-foot rule" requires gas utilities to charge all existing customers the cost of expanding gas pipelines to new buildings, costing New Yorkers over $600 million in 2021.[2]**

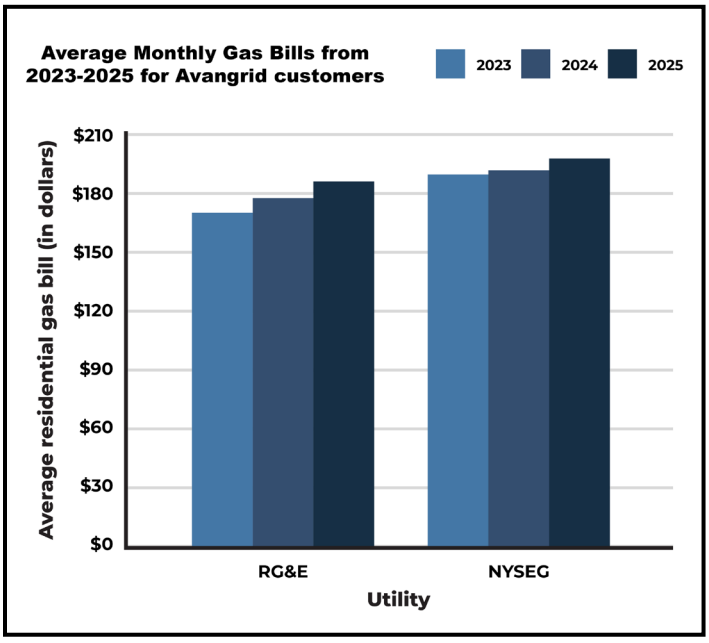
[2] The most recent data available from utility filings on the cost of extending gas services in New York is from 2021.

Fortunately, New York lawmakers this session passed S.8417 / A.8888, legislation that would repeal the outdated 100-foot rule. Once Governor Kathy Hochul signs the bill, New York will begin to rein in corporate profiteering from gas expansion, putting the state on a path to lower bills and cleaner heat.

Across the country, states are moving to end similar giveaways for gas utilities. In August, Massachusetts issued an order that would end the state's equivalent to the 100-foot rule. Earlier this summer, Maryland joined California, Connecticut, and Colorado in ending their mandated gas line extensions. Washington, Oregon, and Minnesota have begun or are considering similar phase outs as well. By repealing the 100-foot rule, Governor Hochul would make New York the fifth state to stop giving corporations millions of dollars for gas expansion and the related profits and set the state up to transition to cleaner and more affordable energy systems.







Energy Bill Relief Today: New Yorkers Face Ever-Increasing Gas Rate Increases

Since the start of 2022, every major gas utility in the state has raised the cost of gas, with customers of Central Hudson, Con Edison, National Grid, Avangrid, and National Fuel Gas experiencing an **average increase of $288 on their gas bills between 2023 and 2025**.[3]

- For Central Hudson customers, the average monthly cost of gas heating has increased by nearly $17 since 2023, from $139 to $156, factoring in the most recent rate increase approved in August 2025.

[3] This report has been updated from a previous version to account for rate hikes that were approved in August 2025.

- For Con Edison customers, the average monthly cost of gas heating has increased by $31, from $205 to $236, from 2023 to 2025.
- For National Fuel Gas customers, the average monthly cost of gas heating has increased by $8 from $81 to $89 since 2023.
- For National Grid customers in NYC, the average monthly cost of gas heating has increased by $42 between 2023 and 2025, from $156 to $198. For National Grid customers in Long Island, the average monthly cost of gas increased by $47, from $167 to $214. For Upstate New York National Grid customers, the average monthly cost of gas has increased by $21, from $80 to $101.
- For Avangrid's Rochester Gas and Electric (RG&E) customers, the average monthly cost of gas heating has increased by $16 from $170 in 2023 to $186 in 2025. Avangrid's New York State Electric and Gas (NYSEG) customers have seen an increase of $8 from $190 in 2023 to $198. Both utilities have proposed new rate increases that would further raise energy bills.



By expanding gas pipelines, gas companies are able to keep raising rates for their customers despite the availability of modern and affordable electric technologies. New technologies, such as heat pumps, are 2 to 3 times more energy efficient than fossil fuel equipment, while also cutting out climate and air pollution. More efficient alternatives consume less energy and are more effective for heating and cooling purposes, making building electrification a safer and smarter option than the continued expansion of the gas system.