ULSTER COUNTY EXECUTIVE

244 Fair St., P.O. Box 1800, Kingston, New York 12402

Telephone: 845-340-3800 Fax: 845-334-5724

JEN METZGER
County Executive



CHRISTOPHER KELLY
Deputy County Executive

JOHANNA CONTRERAS
Deputy County Executive

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The Honorable Rory Christian, Chair New York State Public Service Commission 3 Empire State Plaza Agency Building 3 Albany, NY 12223-1350

RE: CASE 14-M-0565 Phase 2 Contribution

Dear Chair Christian:

I am writing to you on behalf of the 181,000 residents of Ulster County to strongly urge the Commission to require utility shareholders, not ratepayers, to fund Phase 2 arrears relief measures. I applaud the Commission for its implementation of Phase 1, which provided much-need relief for low-income residents, and very much support extending this relief to moderate-income households and small business customers in Phase 2; however, it is imperative that this relief be funded fairly and reasonably, and not increase the burden on utility customers already struggling with high energy costs.

Fortis/Central Hudson Gas & Electric Corporation ("Fortis/Central Hudson" or the "Company") serves the vast majority of Ulster County electric and gas customers. According to a July 2022 NYS Comptroller report, ¹ 14.7% of the Company's customers are in arrears—the second highest among New York's investor-owned utilities—and Fortis/Central Hudson saw the highest jump in arrears of any utility during the pandemic. The number of customers in arrears more than doubled since 2019, while the amount of arrears nearly quadrupled. The Company's mismanagement of the roll-out of its new Customer Information and Billing System, as documented in the recent investigative report of the Department of Public Service, has only served to exacerbate financial problems for many customers already struggling to afford service.

¹ https://www.osc.state.ny.us/files/reports/pdf/distribution-of-utility-arrears-in-nys.pdf

At the same time that our residents and small businesses continue to be burdened by crushing utility and energy costs and a broken utility billing system, Fortis/Central Hudson shareholders have enjoyed uninterrupted profits and increasing dividends. The only fair and reasonable path forward is to assign shareholders the responsibility for the cost of Phase 2 relief measures.

I applaud the Commission for providing relief to utility customers struggling with arrears as a result of the economic fallout from the pandemic and appreciate the commitment of Staff and the Commission to protecting the interests of households and small businesses across New York State. The Phase 2 relief is much needed, and I urge you to ensure that it is funded fairly.

Sincerely,

Jen Metzger

Ulster County Executive