July 30, 2019

Dear Community Leader/Elected Official:

In May 2019, New York State Electric & Gas Corporation (NYSEG) and Rochester Gas and Electric Corporation (RG&E) requested that the New York State Public Service Commission (Commission) approve proposed increases in their electric and gas rates to take effect in April 2020. NYSEG and RG&E (collectively, the Companies) serve approximately 1,786,000 customers in 46 counties in upstate and western New York.

I am writing to inform you that the Commission has scheduled public statement hearings to gather public input on Companies’ proposal. The hearings are open to the public who wish to participate and comment. The public comments received at these hearings will be considered by the Commission in deciding this case. The enclosed fact sheet provides detailed information on how to participate in the public statement hearings as well as the available options to submit comments on the proceedings.

I would appreciate your assistance with informing your constituents about the public statement hearings and encouraging them to provide comments. It is the Commission’s intent to facilitate and encourage active and meaningful participation throughout all of its proceedings. We hope you will consider joining us at one of these hearings.

Sincerely,

John B. Auricchio
Acting Director
Office of Consumer Services

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New York State Department of Public Service (DPS) Staff is in the process of evaluating whether - or to what extent - a rate increase is justified. DPS Staff represents the public interest in these proceedings and evaluates such requests with the goal of ensuring safe and reliable service at just and reasonable rates. Review of the filings is also underway by other parties to these proceedings. The information contained below does not reflect DPS Staff's ongoing evaluation of the proposals.

The Commission is seeking public comment on the Companies' proposed increases to electric and gas delivery rates. A series of public statement hearings will be held in August 2019 in the Companies' service territories. Details regarding the hearings and other ways to comment on the proposals can be found in the Public Involvement section of this factsheet.

**Summary of the Rate Case**

According to the filings, RG&E's electric rate proposal is driven by increases in operating expenses and infrastructure investments, while NYSEG's proposal is driven by increased costs associated with expanded vegetation management. The gas delivery rate increases at the Companies are primarily associated with infrastructure investments and increases to operation and maintenance expenses.

**Proposed Rates:**

An electric or gas bill consists of two parts: a supply charge and a delivery charge. Through the supply charge, the utility recovers the cost of the electric or gas commodity. The cost of the commodity is determined by the competitive market place and is not set by the Commission or the utility. Through the delivery charge, the utility recovers the cost to transport electricity or gas to customers through the utility's delivery system. The delivery charge is regulated by the Commission.

**NYSEG:**

Under NYSEG's proposal, annual electric delivery rates would increase by $156.7 million (20.4% on base delivery revenues and 10.4% in total revenues) and annual gas delivery rates would increase by $6.3 million (3% in gas delivery revenues and 1.4% in total revenues). NYSEG projects that the average residential monthly electric bill will increase by $10.20 (or 13.5% on the total bill). The average monthly residential gas bill will increase by $1.03 (or 0.9% on the total bill).
The Commission strongly believes that obtaining public input is a critical component of the rate-setting process. Stakeholders, such as consumers, government agencies and officials, public interest and environmental groups, and industry representatives, are invited to participate in the process, review the proposals, and submit comments.

An Administrative Law Judge (ALJ) will preside over the gathering of public comments and all evidence relating to the rate requests. The Commission must consider a utility's proposal and may adopt or reject it in whole or in part or modify it by adopting changes proposed by participating parties, the public or the Commission.

There are several ways to participate in the rate case review process, including:

- **Become a Party:** Some individuals or groups participate in rate cases by becoming a party in the case. Becoming a party to a case enables an individual or group to contribute to the development of a complete record by conducting discovery, submitting testimony, briefs, or other formal written comments, and participating in evidentiary hearings, procedural conferences and other formal events conducted in the case.

  Interested groups or individuals can submit a request for party status online through the Commission's www.dps.ny.gov website by searching for the case numbers and clicking the “Request for Party Status” link at the top of the case page. Alternatively, a request form may be downloaded from the website or obtained by calling 518-474-4520 or by writing to the NYS Public Service Commission, Three Empire State Plaza, Albany, NY 12223. The requestor will be provisionally given party status, subject to the right of other parties to object and subject to the determination of the Administrative Law Judge.

- **Join the Service List:** Interested persons who wish to monitor the proceedings of a particular case may do so without the formal commitment to become a party to the proceeding. The persons who subscribe to the service list of a case will receive an e-mail with a direct link to the documents issued by the Commission, such as orders, notices, and rulings. Persons unable or unwilling to receive such electronic notification will receive hard copies of Commission-issued documents by regular mail.

  To register online, visit the Commission’s www.dps.ny.gov website, search for the rate case numbers and click on the “Subscribe to Service List” link at the top of the page. A “Service List and Mail Service List Request Form” may be downloaded from the site and the completed form sent by e-mail to Hon. Kathleen H. Burgess, Secretary at secretary@dps.ny.gov or by mail to: Secretary, Public Service Commission, Three Empire State Plaza, Albany, NY 12223-1350.

- **Monitor the Case on the Commission Website:** Interested persons who choose not to sign up to receive e-mail notifications may view the Commission’s website at their convenience to check on the status of a case. All documents filed by parties, correspondence, hearing transcripts, and Commission issued documents in a given case are posted on the website. All comments submitted by the public are posted under the "public comments" tab for the case.