



**New York State Electric & Gas
Rochester Gas and Electric
Proposed Rate Request**

Cases 19-E-0378/19-G-0379 and 19-E-0380/19-G-0381

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 and requested the proposed closure of multiple customer service walk-in offices. NYSEG and RG&E (collectively, the Companies) serve approximately 1,786,000 customers in 46 counties in upstate and western New York.

Once the filings were received, formal rate case proceedings were initiated. Department of Public Service (DPS) Staff began an analysis of the Companies' request to evaluate whether – or to what extent – a rate increase is justified. DPS Staff represents the public interest in rate proceedings and evaluates such requests with the goal of ensuring safe and reliable service at just and reasonable rates.

On June 22, 2020, DPS Staff, the Companies and other parties to the proceedings entered into a Joint Proposal (JP) that proposes changes in the Companies' electric and gas delivery rates and practices commencing May 1, 2020 and continuing through April 30, 2023. The JP also provides for the closure of six customer service walk-in offices under a phased closure schedule beginning June 1, 2021. Under New York State Law, 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 general public or the Commission.

Public Statement Hearings

The Commission is seeking public comment on the Companies' rate filings and the proposed increases to electric and gas delivery rates included in the Joint Proposal. Interested members of the public are invited to attend a series of virtual public statement hearings and provide comments regarding the proposal. The dates and times of the hearings are listed at the end of this factsheet.

SUMMARY OF THE CASES

Parties to the proceeding filed a JP proposing a three-year rate plan for the Companies' electric and gas delivery services as well as proposed closures of six customer service walk-in offices operated by the Companies. The rate plan would extend from May 1, 2020 through April 30, 2021 (Rate Year 1), May 1, 2021 through April 30, 2022 (Rate Year 2), and May 1, 2022 through April 30, 2023 (Rate Year 3).

Overview of the Joint Proposal:

- **Rates:** An electric or gas bill consists of two parts: delivery and supply. The delivery charge is the cost to transport the electricity or gas to customers throughout the utility's system. This delivery charge is regulated by the Commission. The supply charge is the cost of the electricity or gas itself, which is determined by the competitive markets and is not set by the Commission or the utility.
- **NYSEG Rates:** The JP recommends levelized increases of NYSEG's annual electric delivery revenues by approximately \$45.68 million (a 6.1% increase) for Rate Year (RY)1, \$84.77 million (a 10.6% increase) for RY2, and \$88.57 million (a 9.9% increase) for RY3. If the Commission approves the rate increases recommended in the JP, the electric total revenue increase would result in an average monthly bill increase of \$2.49 or 3.6% in RY1, \$4.13 or 5.7% in RY2 and \$5.54 or 7.2% in RY3 for a residential customer using 600 kWh per month.

For NYSEG's gas business, delivery revenues will decrease by approximately \$514,000 (a 0.3% decrease) in RY1, increase by approximately \$3.35 million (a 1.7% increase) in RY2 and increase by \$5.27 million (a 2.5% increase) in RY3. The recommended gas delivery revenue changes contained in the JP would result in an average monthly total bill decreasing by \$0.02 (0.0%) in RY1, increasing by \$0.53 (a 0.6% increase) in RY2 and increasing by \$1.22 (a 1.4% increase) in RY3 for a residential heating customer using 90 therms per month.

- **RG&E Rates:** The delivery revenue increases for RG&E's electric business are approximately \$15.24 million (a 3.4% increase) for RY1, \$28.06 million (a 6.3% increase) for RY2, and \$30.72 million (a 6.2% increase) for RY3. If the Commission approves the rate increases recommended in the JP, the electric total revenue increase would result in an average monthly bill increase of \$0.37 or 0.5% in RY1, \$3.82 or 5.0% in RY2 and \$4.14 or 5.2% in RY3 for a residential customer using 600 kWh per month.

For RG&E's gas business, delivery revenues will decrease by approximately \$1.13 million (a 0.6% decrease) in RY1, increase by approximately \$859,000 (a 0.5% increase) in RY2 and increase by \$3.87 million (a 2.1% increase) in RY3. The recommended gas delivery revenue changes contained in the JP would result in an average monthly total bill decreasing by \$0.80 (a 0.1% decrease) in RY1, increasing by \$0.10 (a 0.1% increase) in RY2 and by \$0.81 (a 1.1% increase) in RY3 for a residential heating customer using 90 therms per month.

The actual bill impacts of these proposed changes on any particular customer class will vary based upon revenue allocation and rate design.

- **Walk-In Centers:** The second component of the JP is the proposed closure of the following customer service walk-in offices under a phased closure schedule beginning June 1, 2021:
 - NYSEG's Hornell Office, located at 7760 Industrial Park Road, Hornell (2021 closure)
 - NYSEG's Lancaster Office, located at 150 Erie Street, Lancaster (2021 closure)
 - NYSEG's Liberty Office, located at 26 Wierk Avenue, Liberty (2022 closure)
 - RG&E's Canandaigua Office, located at 79 Clark Street, Canandaigua (2021 closure)
 - RG&E's Fillmore Office, located at 32 Main Street, Fillmore (2021 closure)
 - RG&E's Rochester Office, located at 256 Waring Road, Rochester (2021 closure)

The full text of the rate cases may be viewed online at DPS's www.dps.ny.gov website. From the homepage, click on "Search" and enter any of the case numbers (NYSEG electric: 19-E-0378, NYSEG gas: 19-G-0379, RG&E electric: 19-E-0380 or RG&E gas: 19-G-0381) in the "Search by Case Number" field.

PUBLIC INVOLVEMENT

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.

Administrative Law Judges (ALJs) will preside over the gathering of public comments and all evidence relating to the rate requests. All comments may be submitted through the methods below:

- **Via Virtual Public Statement Hearings:** Comments may be made at a virtual public statement hearing that will be held before an Administrative Law Judge. Instructions regarding the virtual hearings are on the last page of this factsheet.
- **Via the Department's Website:** Comments may also be entered directly into the case by locating the case via the home page of the Commission's website, www.dps.ny.gov, by clicking on "Search" and entering the associated case number (19-E-0378, 19-G-0379, 19-E-0380 or 19-G-0381) in the "Search by Case Number" field. After clicking to open the case, enter comments in the "Post Comments" section located at the top of the page.
- **Via Mail/E-Mail:** Submit comments electronically to Hon. Michelle L. Phillips, Secretary, at secretary@dps.ny.gov or by mail or delivery to Secretary at the Department of Public Service, Three Empire State Plaza, Albany, New York 12223-1350. Comments delivered in these manners should reference "NYSEG and RG&E Rate Cases (19-E-0378/19-G-0379 and 19-E-0380/19-G-0381)".
- **Via Toll-Free Opinion Line:** Individuals may choose to submit comments by calling the Commission's toll-free Opinion Line at 1-800-335-2120. This line is set up to receive in-state calls 24-hours a day. Comments received via the Opinion Line are not transcribed, but a summary is provided to the Commission for their consideration.

Comments will be accepted at any point while this proceeding is pending but are requested by **August 31, 2020** to ensure full consideration. All comments will become part of the record considered by the Commission.

The New York State Department of Public Service will hold virtual public statement hearings regarding the NYSEG/RG&E Joint Proposal (Case 19-E-0378 et al.) in its entirety as well as virtual public statement hearings regarding the proposed walk-in center closures. To join a hearing electronically, visit www.webex.com, click “Join” at the top right corner of the screen, and enter the event number and password for that hearing. To join the hearings using the telephone only, dial [518-549-0500](tel:518-549-0500) and enter the hearing access code when prompted.

Virtual Hearings Regarding the Joint Proposal:

Date	Time	Electronic Access (www.webex.com)	Phone-only Access (518-549-0500)
Wednesday, August 26	1:00 P.M.	Event #: 129 561 6203 Password: August 26-1pm	Access code: 129 561 6203
Wednesday, August 26	6:00 P.M.	Event #: 129 716 5524 Password: August 26-6pm	Access code: 129 716 5524

Virtual Hearings Regarding Proposed Walk-In Center Closures:

Date	Time	Electronic Access (www.webex.com)	Phone-only Access (518-549-0500)
Thursday, August 27	1:00 P.M.	Event #: 129 700 4393 Password: August 27-1pm	Access code: 129 700 4393
Thursday, August 27	6:00 P.M.	Event #: 129 389 7531 Password: August 27-6pm	Access code: 129 380 7531

Provide a Statement for the Record:

Any person wishing to provide a public statement on the record during one of these hearings must register in advance of the hearing **no later than 5:00 P.M. on Monday, August 24, 2020.**

- **To register electronically:** Participants who will login electronically to the hearing may register by visiting www.webex.com, clicking “Join” at the top right corner of the screen, inputting the hearing event number listed above and providing the requested information. When logging into the hearing at the appropriate date and time, participants will be asked to “select audio system.” It is recommended that participants opt to have the system “call me” or “call using computer.” The “call me” option will require participants enter their phone number.
- **To register by phone:** Any participant who is not able to login to a hearing electronically may participate by phone. Call-in participants wishing to provide a statement must register in advance by calling **1-800-342-3330** and following the prompts to the appropriate hearing. Calls must provide the following information: first and last name, address, and phone number.

Persons with disabilities requiring special accommodations should contact DPS's Human Resources Management Office at 518-474-2520 as soon as possible. Telecommunication Relay Service users may request a sign language interpreter by calling the New York Relay Service at 711. Individuals with difficulty understanding English are encouraged to call DPS at 1-800-342-3377 for free language assistance services.