



NEW YORK STATE SENATOR

Michelle Hinchey

Hinchey Authors Letter to the PSC Opposing Central Hudson Rate Increase Request

MICHELLE HINCHEY September 19, 2023



Hinchey provides testimony opposing Central Hudson Gas and Electric Corporation's request for a rate increase at a PSC Public Statement Hearing on October 18, 2023 in Kingston.

KINGSTON, NY – New York State Senator Michelle Hinchey is urging the Public Service Commission (PSC) to reject a request by Central Hudson Gas & Electric Corporation for a 16% rate increase on residential electric bills and a 19% increase on gas bills. In a letter submitted to the Public Service Commission as part of its current public comment period, Hinchey argued against a rate increase, emphasizing Central Hudson's continued mishandling of

customer billing and highlighting ongoing issues faced by Hudson Valley residents.

Senator Michelle Hinchey said, “Central Hudson should not be considered for a rate increase, especially while it's actively under investigation by the PSC for ongoing billing malfunctions. Attempting to resolve their shortcomings by burdening customers with higher rates is an unjust and unacceptable approach.”

The Public Service Commission has two more virtual and telephone hearings on Wednesday, September 20, at 1:00 p.m. and 5:00 p.m. Details on how to share a statement during the virtual public hearing or submit one electronically can be found at dps.ny.gov. In response to requests from Senators Hinchey and Skoufis and other local officials, the Commission will also schedule in-person hearings in the future.

A full copy of Senator Hinchey’s letter to the PSC is below.

The Honorable James A. Costello and Honorable Ashley Moreno September 7, 2023 Public
Service Commission
New York State Public Service Commission
Empire State Plaza
Agency Building 3 Albany, NY 12223-1350

RE: CASES 23-E-0418 and 23-G-0419

Dear Judge Costello and Judge Moreno,

As the representative of residents in Dutchess, Greene, and Ulster counties who receive their gas and electric service from Central Hudson Gas & Electric Corporation, I submit this testimony out of concern for my constituents and in strong opposition to Central Hudson's proposed 16% rate increase on residential electric bills and 19% increase on gas bills for the 2024 fiscal year.

For more than two years, my office has taken a leading role in advocating for Hudson Valley residents, many of whom have been forced to endure Central Hudson's unremitting estimated billing system malfunctions, alarming overcharging, incorrect meter readings, and poor customer service practices. Our advocacy, collectively with other local officials, shed light on these egregious errors and effectively initiated the Public Service Commission's (PSC) investigation into Central Hudson's billing practices. This investigation, which is still ongoing, reaffirmed our calls to action in a December 2022 [report](#) from the PSC, which unequivocally stated that the Company's billing "problems were directly attributable to Central Hudson's negligence, lack of appropriate training, lack of proper system testing, misuse of resources, and an overall lack of readiness."

Based on firsthand experience through the Constituent Services provided by my office, I can confirm that Hudson Valley residents still today face issues with inaccurate and inflated bills, large automatic withdrawals from their savings accounts after not receiving bills for many months, unclear and confusing bills, and others receiving multiple bills in one month. Until Central Hudson has resolved these issues with its billing system, a rate increase should not be an option on the table.

My office continues to do everything we can to assist residents in resolving their billing concerns with Central Hudson. In good faith, we collaborated with Central Hudson on two customer service sessions at our District Office, one on May 24, 2023, and the other on June 29, 2023, aimed at connecting constituents with Central Hudson representatives for real-time assistance. Regrettably, based on feedback from a significant majority of our constituents, Central Hudson has not followed through on the efforts promised during those sessions to resolve, discuss specific bills, or provide definitive answers about their billing issues. In light of this feedback, my office has decided to suspend customer service sessions with Central Hudson for the foreseeable future.

Central Hudson is responsible for providing its customers with regular and accurate bills while providing adequate service at fair rates. The Company's inability to meet these obligations has caused Hudson Valley residents significant financial and emotional harm and eroded public trust. The rate increase proposed by Central Hudson stems from their complaints about accounts in arrears totaling millions of dollars. This issue was primarily triggered by the Company's mishandled rollout of a new billing system. Had Central Hudson maintained their previous level of service during this transition, the Company could have prevented its current predicament. Now, attempting to resolve their shortcomings by burdening customers with higher rates is an unjust and unacceptable approach.

I appreciate your attention to this critical matter, and I hope you will give consideration to the issues raised in this testimony and that of our community members.

Respectfully submitted,

Michelle Hinchey

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New York State Senator, District 41

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