



NEW YORK STATE SENATOR

Lea Webb

Senator Lea Webb Statement on NYSEG Rate Hike

LEA WEBB June 15, 2023

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VESTAL, NY - Today, Senator Lea Webb and Assemblywoman Donna Lupardo along with local NYSEG customers and advocates held a press conference at the NYSEG facility in Vestal to vehemently oppose the utility company's proposed double-digit rate increases. Additionally, they urged customers to submit their comments to Governor Hochul and the New York State Public Service Commission during the 120-day public feedback period.

Today, New York State Electric and Gas (NYSEG) company announced its plans to increase rates to cover delivery costs. Their proposal recommends increasing electricity rates for

customers by 17 % each year, for the next three years, which compounds to a 62% increase in cost by 2026. It also includes a recommendation for increasing gas rates for customers by 5.3% each year, compounding to a total of 17.8% by 2026. These rate hikes are coming at a time when customers are reporting ongoing problems related to management and billing, which have led to a range of issues for customers. These issues include instances of double billing, inaccurate meter readings, unexpectedly high bills, and frustratingly inadequate customer service that is often difficult to navigate. Unfortunately, customers living in the Southern Tier that are within NYSEG service areas have no options when it comes to selecting their electric and gas providers. This lack of choice effectively grants NYSEG a monopoly, allowing them to dictate the terms and conditions of service without competition.

In May, in response to the high volume of calls from constituents expressing concerns over inconsistent, inaccurate, and excessively high billing problems, Senator Webb initiated an online NYSEG Customer Survey on her Senate website. This survey asked community members to share the financial impact of their utility bills on their families or small business, in addition to their experience with NYSEG's customer service. Within a span of five weeks, a significant number of constituents participated in the survey, with a notable 74% of respondents indicating that their recent utility bills have imposed a moderate to very significant financial burden on them.

“Access to electricity and heat should not be considered a luxury. They are basic needs that every family utilizes in their home and small businesses in their operations every day,” **said Senator Lea Webb.** “To see utility companies like NYSEG not address that need and propose double-digit price hikes to their services is deeply disappointing. Many households and small businesses are only just beginning to find financial stability in the post-COVID era. We must empower and uplift working families and small businesses, not continue to create more financial barriers as they struggle to make ends meet. I urge the community to make their

voices heard by sharing their experiences during the public comment period.”

Assemblywoman Donna Lupardo said, “I am very concerned about the impact these proposed rate hikes will have on the majority of my constituents, including area businesses. The timing could not be worse for this to be considered as many are struggling to make ends meet in this post COVID economy. While I recognize the need for system upgrades, we have to find a way to address this without further burdening struggling families and companies. I urge everyone to comment during this 120 day window.”

“The proposed rate hikes would be a huge and unacceptable burden on all ratepayers, and particularly on low and moderate income families who have been struggling to afford rising energy prices for several years, **said Adam Flint,” Director of Clean Energy Programs at the Network for a Sustainable Tomorrow.** “At a time when NYSEG’s incompetence in billing has exposed a lack of investment in systems and staffing by its parent company, Iberdrola, it is incumbent on the Public Service Commission, which regulates the utilities on the public's behalf, to send a strong message to the Company by rejecting any increase whatsoever in this rate case. It's time that NYSEG’s senior management, Iberdrola and major shareholders bear the cost burden that has been only borne by rate-payers to date. That cost must be high enough to change their behavior, and not at the customary ‘cost of doing business’ level the Commission has seen fit to impose to date.”

“After a year of negotiations it’s hard to see any benefit to the utility customers. The proposed rate hikes are unaffordable to the point of being unconscionable. Meanwhile, billing problems still exist, the companies have not committed to reduce their customers' fossil fuel use or greenhouse gas emissions, and they have not made any specific plans to address impacts on disadvantaged communities as required by our State’s climate law,” **said Irene Weiser, coordinator of Fossil Free Tompkins.** “It is outrageous that the Governor’s regulators co-signed this proposal to raise rates this high instead of siding with consumer

advocates to send the utility back to file a proper and reasonable proposal. We call on Governor Hochul to intervene and deny this rate hike.”

“I got involved with advocating for low-income households and the cost of utilities when I was experiencing financial hardship myself,” **said Ebony Hattoh, Advocate and NYSEG customer.** “Due to the combination of poor-quality rental housing and exorbitant utility bills, I realized I was energy burdened in 2016. I cannot imagine being low-income and having to struggle to pay bills in this post-pandemic situation. Wages do not add up to the cost of monthly bills and it is up to the Public Service Commission to help those so bogged down with energy burden find relief. We cannot afford to keep stuffing the pockets of offshore investors who don't care about or face the same realities that low-income families face all year round, not only in the winter.”

Customers have 120 days to submit their concerns with their NYSEG bills or the proposed rate increases to secretary@dps.ny.gov with the subject line “NYSEG Rate Case” as soon as possible.

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