



NEW YORK STATE SENATOR

Shelley B. Mayer

## Statement of Senator Shelley Mayer Concerning Consolidated Edison's Rate Case Joint Proposal before the Public Service Commission

SENATOR SHELLEY B. MAYER March 31, 2023

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(Port Chester, NY) – Senator Shelley Mayer submitted testimony yesterday to the Public Service Commission at a Public Statement Hearing concerning Consolidated Edison's rate case hearing. The following is her statement summarizing her testimony.

**Senator Shelley B. Mayer said,** "I speak here today in total opposition to this proposed rate hike for Consolidated Edison ratepayers. Sadly, this 'Joint Proposal,' agreed upon between Con Ed and the PSC, includes three-year electric and gas rates that represent yet another set of multi-billion dollar rate increases by Con Ed – plans that will raise customer bills by \$3.9 billion over three years.\* Ironically, this proposal is presented as a compromise between Con Ed and the PSC, but it is not a compromise in the best interest of the millions of Con Ed ratepayers who will have to bear increased costs once again. What happened here has happened before: Con Ed requests excessive rate increases it knows it will not receive in order to justify the large rate increases it ends up receiving. In practical terms, over three years, the average electric residential customer will see an increase of \$18 per month over current rates, representing a 27% increase, while the average heating gas residential customer will see an increase of over \$40 per month over current rates, representing a 28% increase.

"This rate increase comes on the heels of Consolidated Edison's most recent rate increase, which I strongly opposed, but took full effect only a year ago. For my constituents, these increases are unacceptable, unaffordable, and leave them incredibly frustrated that their own efforts to reduce their household energy usage have only limited effect on reducing their bills. As one of my constituents said, 'I have lowered the heat in my home to between 60

and 65 degrees depending on the time of day. I believe by state law, tenants have a right to 68 degrees during the day. I'm not even making that.' Because the delivery charge continuously increases, even ratepayers' efforts to reduce their energy usage have limited effects on their energy bills.

"As I noted in my earlier opposition to Consolidated Edison's proposed rate increase, I am particularly opposed to its increase in profits through a 'return on equity' enhancement. In their initial proposal, Con Ed requested a 10% return on equity investment which was more than any New York utility has received in 30 years, and significantly higher than the already too high 8.8% return on equity they received in the 2019 case. This Joint Proposal provides them a 9.25% "return on equity" at the expense of ratepayers who already pay some of the highest rates in the nation. This is simply unacceptable.

"I urge the Public Service Commission to revisit the Joint Proposal, to reject any rate increase, and to proactively fulfill its legal mandate to protect New Yorkers and ensure affordable, safe, secure, and reliable access to electric and gas service."

*\*See Consumer and Environmental Intervenors Join with Local Elected Official to Reject Deal To Raise Con Edison Bills, Invest in Fossil Fuel Infrastructure*, Press Release, Feb. 17, 2023, <https://earthjustice.org/press/2023/consumer-and-environmental-intervenors-join-with-local-elected-official-to-reject-deal-to-raise-con-edison-bills-invest-in-fossil-fuel-infrastructure>