



NEW YORK STATE LEGISLATURE

August 21, 2025

The Honorable Kathy Hochul
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Hon. Rory M. Christian, Chair
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, NY 12223-1350

Re: Strong Opposition to NYSEG's Proposed Rate Increase

Dear Governor Hochul and Chair Christian,

We write to express our strong opposition to the proposed rate increase submitted by NYSEG to the Public Service Commission on June 30, 2025. As a regulated monopoly, NYSEG benefits from a guaranteed customer base and is already operating at a profit. There is no justification for forcing ratepayers, who have no ability to choose another provider, to bear even higher costs without commensurate improvements in service.

In October 2023, the PSC approved multi-year rate increases for NYSEG customers, with a typical residential customer getting hit with a cumulative 31% increase. Now, less than two years later, NYSEG is requesting another increase of approximately 23.7 percent for electric service, with some service classes higher. This translates to approximately \$67 more per month or over \$800 per year for the average household. This is not affordable for New Yorkers.

Adding to the burden is the "recovery fee" NYSEG has already imposed - an arbitrary, decade-long surcharge that was poorly communicated to customers and offers no clear benefit. NYSEG has admitted this fee covers past storm damage, a cost that should be paid from company profits rather than passed on to consumers.

Another source of increased costs is NYSEG's smart meter rollout. The PSC has acknowledged that roughly 11 percent of the 2020–2023 rate increase funded this project, at an estimated total cost of \$361 million. While NYSEG claims long-term benefits, many customers have reported significant monthly bill spikes after installation, ranging from \$50 to \$400, without increased usage. Those who opt out of smart meters are charged an additional monthly fee for an analog meter. These added expenses are layered onto already high bills, creating further affordability challenges.

Analyses by the Empire Center have also shown that state-mandated energy policies are contributing to higher costs, with the average residential electricity price in New York reaching \$0.25 per kilowatt-hour in March 2025 - 56% higher than the national average for residential electricity is \$0.16 per kilowatt-hour as of August 2025.

Families across our districts are reaching their financial breaking point. Seniors on fixed incomes, small businesses, and working families have contacted our offices to express deep concern and understandable outrage over rising bills. Approving this hike, layered on top of the recovery fee, smart meter costs, and policy-driven increases, would worsen affordability and accelerate the out-migration of New Yorkers seeking lower costs of living elsewhere.

Further, we demand that the PSC undertake a thorough investigation of NYSEG billings, particularly following the smart meter installations. Our offices have been inundated with constituent complaints of inexplicable massive increases, in some cases double, triple and more in their monthly electric charges. There has been no rational explanations provided by NYSEG to these customers or our offices and the PSC just refers ratepayers back to NYSEG.

The Public Service Commission exists to protect consumers from unjustified rate increases, particularly from monopolies like NYSEG that face no market competition. I urge the Commission, with your leadership Governor Hochul, to deny this request and direct NYSEG to focus on delivering reliable service, better business practices for customers, and responsible financial management.

Thank you for your attention to this matter.

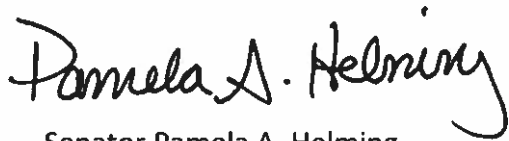
Sincerely,

A handwritten signature in blue ink, appearing to read "Tom O'Mara", with a stylized flourish at the end.

Senator Thomas F. O'Mara
58th Senate District

A handwritten signature in blue ink, appearing to read "Chris Friend", with a stylized flourish at the end.

Christopher S. Friend, Ph.D.
Member of Assembly, 124th District



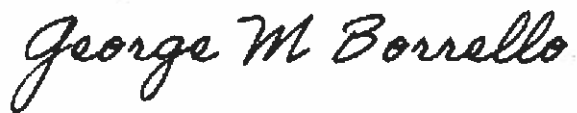
Senator Pamela A. Helming
54th Senate District



Senator Peter Oberacker
51st Senate District



Jeff Gallahan
Member of Assembly, 131st District



Senator George M. Borrello
57th Senate District



Joseph Sempolinski
Member of Assembly, 148th District



Philip A. Palmesano
Member of Assembly, 132nd District