

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on May 16, 2013

COMMISSIONERS PRESENT:

Garry A. Brown, Chairman  
Patricia L. Acampora  
Maureen F. Harris  
James L. Larocca  
Gregg C. Sayre

CASE 13-E-0146 - Petition of Orange and Rockland Utilities, Inc.  
for Approval of a Transfer or Lease of Property  
to the Town of Goshen.

ORDER REQUIRING FURTHER REVIEW AND WRITTEN CONSENT BEFORE  
TRANSFER OF PROPERTY MAY PROCEED

(Issued and Effective May 17, 2013)

BACKGROUND

On February 26, 2013, Orange and Rockland Utilities, Inc. (O&R or Company) filed a notice (Notice) of a proposed transfer of real property to the Town of Goshen (Town). In 2006, O&R purchased approximately 48 acres in the Town (Property), for a sum of \$670,000, on which the Company will build a new substation. O&R now proposes to convey two parcels of the Property, totaling 0.887 acres, to the Town in fee title. Those parcels are a part of the right-of-way for Hartley Road and Cheechunk Road. Additionally, O&R proposes to convey a conservation easement over a 28.74 acre portion of the Property to the Town. O&R asserts that the original cost of the property interests it proposes to transfer is \$48,000. In its Notice, the Company states that, in accordance with Section 70 of the Public Service Law (PSL), "the Company will proceed with the proposed transfer unless the Commission, within 90 days of this

notification, determines that its review and written consent is necessary."

DISCUSSION AND CONCLUSION

Section 70 of the PSL provides, in relevant part, that a gas or electric corporation having annual gross revenues in excess of \$200 million, as does O&R, may transfer or lease property with an original cost of less than \$100,000 without the Commission's written consent within 90 days after such corporation "notifies" the Commission that it plans to do so and provides the Commission with a description of the intended transaction. In addition, PSL §70 provides that this Commission may determine, within 90 days after a corporation provides such notification, that the public interest requires our review and written consent before such a transfer may be consummated.

A number of issues related to the proposed transaction require further review before this transaction can be completed. Among these issues are determining the original cost of the property interests the Company proposes to transfer to the Town,<sup>1</sup> and the accounting and ratemaking consequences of the transfer. We determine that the public interest requires further review of the proposed transfer. Therefore, O&R shall not complete the proposed transfer unless and until it receives our written consent.

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<sup>1</sup> After further review, the original cost may be determined to actually be greater than \$100,000.

The Commission orders:

1. The public interest requires our review and written consent before Orange and Rockland Utilities, Inc. can proceed with its proposed transfer of certain property interests to the Town of Goshen.

3. This proceeding is continued.

By the Commission,

(SIGNED)

JEFFREY C. COHEN  
Acting Secretary