

ROCHDALE VILLAGE, INC.

A HOUSING DEVELOPMENT COOPERATIVELY OWNED AND OPERATED



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October 31, 2013

Honorable Kathleen H. Burgess, Secretary
New York State Public Service Commission
Three Empire Plaza
Albany, NY 12233

Re: Case 13 - Petition and Request of the Consortium of Concerned ESCOs for Resolution of a Pending Dispute with the Brooklyn Union Gas Corporation d/b/a National Grid NY and Keyspan East Corporation d/b/a National Grid

Dear Secretary Burgess:

Rochdale Village (Rochdale) is a large multi-family building operating in the Brooklyn Union Gas service territory of National Grid. We provide affordable housing for 20,000 residents. It is comprised of a 120 acre residential park with 20 buildings in five groups.

Rochdale owns and operates its own power plant. The power plant is a total energy 21 MW facility that generates all the electrical power, heating, air-conditioning and domestic hot water services for the entire residential development and two shopping malls. The Rochdale power plant produces its power independently with no interconnection to any outside utility company making this plant unique among other plants. Our power plant operates 24 hours a day 7 days a week year round. The plant has an operating staff of high pressure boiler engineers, operators, and mechanics. The staff operates and performs preventive maintenance on all plant equipment to assure the plant is safe and reliable throughout the years.

In order to manage our energy costs most efficiently, we have chosen to work with non-utility suppliers (ESCOs) for the last several years. Currently, we are under a fixed price contract with Great Eastern Energy (GEE). This arrangement has served us well by giving us price certainty along with other energy advisory services in order to optimize costs and performance.

Brooklyn Union provides gas transportation service to Rochdale's facilities and operates the retail access program under which GEE is a licensed supplier. Recently we became aware of the fact that that a consortium of ESCOs had filed a formal complaint against Brooklyn Union Gas for using pipeline and storage assets to supply sales customers with low cost gas that were not made available to the ESCOs. Using just one example, it appears that utility sales customers are receiving lower cost storage supply than is provided to ESCO customers even though it is supplied from the same storage fields. Our conversations with GEE indicate that should they receive access to these assets, they will flow the benefits through to Rochdale. Rochdale will refrain from commenting on the technical details of the filing and leave it to the expertise of the Commission and its Staff. However, from our viewpoint the practices of the utility appear to be anti-competitive and will put a chill on retail access moving forward. The result of inaction could be to reestablish the utility as a monopoly supplier.

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In summary, Rochdale agrees with the position of the ESCOs that sales and transportation customers should have equal access to low cost supplies. Failure to address these issues will cause us significant economic harm and additional expense to the tenants, impeding Rochdale's efforts to keep its housing affordable. Additionally, it could have a chilling effect on retail choice – especially for larger customers.

Respectfully submitted,


Marion Scott

General Manager

Rochdale Village, Inc.

169-65 137th Avenue