STATE OF NEW YORK
BEFORE THE
PUBLIC SERVICE COMMISSION

CASE 26-E-_______– Petition of Fishers Island Electric Corporation to Incur Indebtedness for a Term in Excess of Twelve Months Pursuant to Section 69 of the Public Service Law.

VERIFIED PETITION

Respectfully Submitted,

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NEW YORK STATE PUBLIC SERVICE COMMISSION

CASE 26-E-_____ – Petition of Fishers Island Electric Corporation to Incur Indebtedness for a Term in Excess of Twelve Months Pursuant to Section 69 of the Public Service Law.

Fishers Island Electric Corporation ("FIEC") hereby petitions the New York State Public Service Commission for authorization to enter into a secured loan with a term greater than twelve months to finance the cost of acquisition of a 2022 Ford F350 to be used by the FIEC Electric Superintendent.

I. Introduction

FIEC

FIEC is a small, privately-owned public utility company and is the sole entity providing electric services on Fishers Island, New York. Fishers Island is located within the Long Island Sound, four miles from the Connecticut shore and is part of the Town of Southold in Suffolk County, NY. The island is only accessible by private boat, aircraft, or public ferry.

Approximately 265 people live on the island year-round, with the summer population increasing to around 3,000 people.[1] About 80% of the homes on the island are seasonal second homes.[2] FIEC has a total of 774 customers: 657 residential, 114 commercial, and 3 other public service corporations.[3] Its peak electric load in summer 2025 was 2.7 megawatts.

[1] *About*, Fishers Island Utility Co., https://fiuc.net/about/ (last visited May 26, 2026).
[2] Town of Southold Planning Department, *Southold Town Comprehensive Plan: Vol. 1* (Feb. 2020), Ch.3 at 24, https://www.southoldtownny.gov/DocumentCenter/View/7855/Southold-Town-Comprehensive-Plan-Vol-1.
[3] Matter No. 11-01645, *In re Electric Company Filings of Financial Reports for the Fishers Island Electric Corporation*, Classes C and D Annual Report of Fishers Island Electric Corporation (Mar. 26, 2026), at 68 ("2025 Annual Report").

The Commission last set rates for FIEC in March of 2025.[4] The Commission most recently approved the issuance of debt in Case 21-E-0580 in 2022 to finance an AMI system.[5] The costs are being recovered through a System Improvement Charge.

II. Proposed Actions

1. Loan to Purchase 2022 Ford F-350

FIEC proposes to purchase a 2022 Ford F-350 ("Vehicle") to be used by the Electric Superintendent. The vehicle was previously leased and used by the Fishers Island Utility Company ("FIUC") President from April 2023 to December 2025, and the lease term ends in June 2026. FIEC began paying the lease for the vehicle in January of 2026. The vehicle is replacing the previous vehicle used by the Electric Superintendent, which was a 2014 Chevrolet Silverado, originally purchased in June 2017 via loan from Ally Bank. The previous vehicle was sold on May 13, 2026, to FIUC for $12,000, which was the trade-in value for the vehicle.

FIEC plans to finance the purchase of the Vehicle via loan from the Charter Oak Federal Credit Union ("Charter Oak"). Charter Oak is based in Waterford, Connecticut, serving customers across eastern Connecticut. Charter Oak is a broad-market, community focused financial institution, and is federally regulated and ensured by the National Credit Union Administration ("NCUA"). Charter Oak specializes in local, small business commercial lending for a myriad of financing agreements, including equipment purchases. As demonstrated in

[4] Cases 24-E-0262, et al., *Minor Rate Filing by Fishers Island Electric Corporation to Increase Its Total Annual Revenues*, Order Determining Revenue Requirement and Rate Design, Denying Deferral Of Costs Associated With Cost Of Service Study And Costs Associated With Future Testimony (Mar. 21, 2025).
[5] Case 21-E-0580, *Petition of Fishers Island Electric Corporation for Authority to Impose a System Improvement Charge and to Incur Indebtedness for a Term in Excess of Twelve Months Pursuant to Sections 65 and 69 of the Public Service Law*, Order Authorizing Extension Of The Deadline to Enter Into a Lease And Increase Lease Disbursement Amount (Jan. 24, 2025). ("Order")

previous cases, FIEC has a longstanding savings account and repeated engagement with Charter Oak.[6]

The loan term will be finalized and start following Commission approval. The amount of the loan is expected to be $40,010 and will be paid monthly for a term of five years. (See Appendix C). The five-year loan will have a fixed interest rate currently projected at 7.49%, with principal and interest to be paid in monthly payments based upon 5-year amortization.[7] The terms have been thoroughly negotiated, and the conditions are economically fair and reasonable. Therefore, FIEC respectfully request approval to enter into a financing agreement of up to $45,000 to secure the purchase of the Vehicle, at a rate to be determined at the time of execution.

2. Analysis of Basis and Need

Pursuant to PSL § 69, the Commission applies a "two-part test in considering financing petitions."[8] In order for a utility to receive authorization to issue long term indebtedness, such as the Vehicle loan, "the utility must demonstrate both an adequate basis for the amount of debt sought, as well as the need for external financing."[9] The Electric Superintendent has always been provided with a company vehicle to perform essential operational and supervisory functions. FIEC has determined that the purchase of this vehicle is the most commercially reasonable way to meet that obligation. The price is commercially attractive based on current market conditions.

Second, to ascertain the need to incur long-term indebtedness, such as a loan to purchase a vehicle, requires a review of the "[c]ompany's forecast of net cash flows."[10] FIEC's most

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[6] *Id.* Appendix A at 1.
[7] The actual rate will be set at internal auto loan rates plus a 2.50 margin at the time the transaction is consummated.
[8] Id. at 11. *See* Public Service Law § 69 and 16 N.Y.C.R.R. § 18.1 (for required financial submissions).
[9] Id.
[10] Id. at 12.

recently available financial statements demonstrating the need for financing and a forecast of cash flows are attached as Appendices A and B.

Conclusion

For the foregoing reasons, the requested Vehicle is required for FIEC to perform its duties in the public interest, and the terms and conditions of the loan are fair and reasonable. FIEC respectfully requests the Commission issue and order authorizing FIEC to enter into the loan agreement to purchase the vehicle, as described herein.

Respectfully submitted,

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Supporting Appendices:
A. Balance Sheet
B. Fiscal Year Profit and Loss Statements
C. Truck Loan Proposal

VERIFICATION

I, Armando Pereira, affirm this 1st day of June, 2026, under the penalties of perjury under the laws of New York, which may include a fine or imprisonment, that the following is true:

1. I am the President of Fishers Island Water Works Corporation, the Petitioner in this proceeding.
2. I have read the foregoing Petition and know the contents thereof.
3. The facts stated therein are true to my own personal knowledge, except as to matters therein stated to be alleged on information and belief, and as to those matters, I believe them to be true.

Fishers Island Water Works Corporation

By: ______________________

Name: ARMANDO PEREIRA

Title: PRESIDENT