STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on July 16, 2026

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

CASE 25-E-0231 - Petition of New York State Electric & Gas Corporation for Approval, Pursuant to Public Service Law Section 70, to Lease Property to Coughlin & Gerhart, LLP/COIF Realty with an Original Cost Over $100,000.

ORDER AUTHORIZING LEASE OF PROPERTY

(Issued and Effective July 20, 2026)

BY THE COMMISSION:

INTRODUCTION

On April 8, 2025, New York State Electric & Gas Corporation (NYSEG or the Company) filed a petition requesting authorization under Public Service Law (PSL) §70 to lease office space located at 18 Link Drive, Binghamton, New York (the Property) to Coughlin and Gerhart, LLP/COIF Realty (Coughlin and Gerhart or the Tenant). On May 30, 2025, NYSEG filed a revised petition (Petition) to make public certain information that it had redacted in its initial filing. By this Order, we authorize NYSEG to lease the Property to Coughlin and Gerhart.

BACKGROUND

NYSEG began leasing 27,036 square feet of office space at its Kirkwood facility located at 18 Link Drive, Binghamton, NY to the Tenant in 2012.[1] In 2018, the Commission approved an amendment to the lease that would allow NYSEG to lease an additional 6,239 square feet of office space to the Tenant at the Kirkwood facility.[2]

Currently, NYSEG continues to lease a total of 33,275 square feet of office space on the west side of the first floor in its Kirkwood facility to Coughlin and Gerhart. NYSEG utilizes the remainder of the office building as one of its main office locations in New York.[3] NYSEG's current lease with the Tenant has expired and after exploring alternative options, both parties ultimately negotiated and agreed upon the terms of a new lease, subject to Commission approval, that will allow the Tenant to continue to occupy the office space in NYSEG's facility, for up to 21 years.[4] The terms of the new lease will begin on the first of the month following Commission authorization.

The lease agreement amendment is included as Schedule A to the Petition. The terms of the lease set forth an initial occupancy term of 132 months, and two subsequent fixed renewal options of 60 months each that would extend the duration of the lease. The Tenant has agreed to pay a specified rental amount

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[1] Case 12-M-0086, NYSEG – Petition to Lease Property, Order Approving Lease Arrangements (issued May 21, 2012).

[2] Case 18-M-0755, NYSEG - Petition to Lease Property, Order Granting Authority to Lease Additional Space (issued June 17, 2019).

[3] Company response to DPS-05.

[4] The Company's and Tenant's current lease agreement allows the Tenant to continue to occupy the office space while terms of a new lease agreement are being negotiated.

if it elects to renew the lease utilizing one of the fixed options.

In its Petition, NYSEG indicates that the agreed upon lease rate to be paid by the Tenant is above market value. The Company asserts that the commercial real estate market has been generally depressed due to several businesses leaving the Binghamton area, and that there is an abundance of available office space.[5] Further, NYSEG states that to remain competitive in the Binghamton commercial real estate market, it negotiated rent-free periods, staggered during the 132-month lease. Specifically, the lease agreement provides the Tenant with 10 months of free rent, which are staggered throughout the initial term of the lease in months one through six, 13, 25, 37, and 49. The Company states that the Tenant considered other options to relocate its office space before agreeing to renew its current lease with NYSEG at the reflected price. While the agreed upon lease rate with NYSEG is higher than what the Tenant would pay at alternative locations, the lease rates at alternative locations plus relocation costs would have been similar to or greater than what the Tenant will pay to renew its existing lease at its current location.[6]

The lease agreement establishes that the Tenant will lease the Property in as-is condition. The Tenant will pay for its own utilities, a portion of the property taxes, and its share of the maintenance fees associated with common areas. Additionally, the Tenant is responsible for the operation and maintenance costs associated with its data servers, telecommunication systems and any other fixture not provided by NYSEG.

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[5] Company response to DPS-02.

[6] Company response to DPS-02.

The Company notes in its Petition that it does not currently utilize the Property for the provision of utility service. Further, the Company states it does not have any anticipated future operational needs requiring it to use the Property.[7] Accordingly, the Company states that the proposed lease of the Property will not negatively impact the safety or reliability of its electric grid.[8]

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking was published in the State Register on July 2, 2025 [SAPA No. 25-E-0231SP1]. The time for submission of comments pursuant to the Notice expired on September 2, 2025. No comments were received.

LEGAL AUTHORITY

Pursuant to PSL §70, the Commission has legal authority to review the proposed lease of utility property to the Tenant and to determine whether to authorize the utility to proceed with the proposed lease. Pursuant to PSL §§5, 65, and 66, the Commission has the legal authority to review, as well as modify, reject, or approve filings, including the authority to make accounting and ratemaking determinations concerning the transfer or lease of utility assets.

STATE ENVIRONMENTAL QUALITY REVIEW

Together with its Petition, NYSEG provided Part 1 of a Short Environmental Assessment Form (EAF) in conformance with the State Environmental Quality Review Act (SEQRA) requirements

[7] Company responses to DPS-02 and DPS-09.

[8] Company response to DPS-02.

set forth in 6 NYCRR §617.6(a)(3). The proposed lease is an Unlisted action, as defined in 6 NYCRR §617.2(al). The action does not rise to the level of a Type I action and is not listed on the Commission's Type II list of activities in 16 NYCRR §7.2, or those actions listed in 6 NYCRR §617.5. NYSEG also states that the action will have no significant adverse environmental effects. No other agency exercises jurisdiction relating to the proposed action. Accordingly, the Commission assumed Lead Agency responsibilities for the environmental review under SEQRA and has determined that a coordinated review is not necessary.

After review of the Petition, the Commission concludes, based on the criteria for determining significance listed in 6 NYCRR §617.7(c), that there will be no change to the operation of the existing Property that will result in adverse environmental impacts. Moreover, the Commission determines that the proposed lease of the Property to the Tenant will not result in any significant adverse effects to land and water uses, or natural resources in the associated area. No construction, disturbance, excavation, or demolition will be undertaken as part of the proposed action. Department of Public Service Staff has completed Parts 2 and 3 of the Short EAF.

As Lead Agency, the Commission determines that the proposed action will not have a significant impact on the environment and adopts a negative declaration pursuant to SEQRA. Because no adverse environmental impacts were found, no public notice requesting comments is required. A negative declaration concerning this unlisted action is attached to this Order. The completed Short EAF will be retained in the Commission's files with a copy made publicly available.

DISCUSSION AND CONCLUSION

Pursuant to PSL §70, when considering a proposed sale or lease of utility property, the Commission must assess whether the proposed transaction will impact the utility's ability to provide safe and adequate service, and whether the terms of the transaction and proposed accounting treatment are in the public interest. To do this, the Commission reviews the utility's practices and procedures in marketing the property, the underlying economics of the proposed transaction, and the effect of the transaction on the utility's customers. This examination generally includes, but is not limited to, an analysis of whether the utility needs the property to provide utility service, the importance of disposing of unused or underutilized assets to avoid recovery of excessive and unnecessary costs in rates, and the reasonableness of the value obtained for the property.

The Company has leased the Property to the Tenant for approximately 14 years, and the Property is not used for utility service. Given that the conditions of the existing lease are similar to that of the proposed lease, and that the Property would continue to not be utilized for the provision of utility service, the Commission determines that the lease of the Property to the Tenant will not adversely impact the reliability, safety, operation, or maintenance of NYSEG's electric distribution system.

Continuing to receive revenues by leasing the Property to the Tenant at an above-market rate will provide several benefits to both NYSEG and its ratepayers. Further, the Commission finds the Company's proposal to lease office space to the Tenant is reasonable and in the best interest of its ratepayers. The proposed transaction allows the Company to optimize its office space and continue to receive rental

payments for the benefit of ratepayers. The rental payments that NYSEG would receive for leasing the office space are reasonable considering both the price per square foot rate that the Tenant would pay if it were to relocate to another office building, and the price per square foot rate other businesses are paying for office space in the Binghamton region.

Authorizing the lease of the Property to the Tenant will allow the Company to avoid additional costs it would incur from securing a new tenant, given that the Property is currently configured to accommodate the Tenant. Additionally, if the Company were to discontinue leasing this office space to the Tenant, it would lose the revenues it receives in the form of rental payments during any period the Property remains vacant and would incur costs associated with finding a new tenant. Moreover, there is no certainty that another tenant would agree to terms that provide the same or a greater amount of revenues. Thus, authorizing the proposed lease avoids these potential results which could increase NYSEG's revenue requirement and its customers' bills. Given the benefits NYSEG ratepayers are currently receiving and will receive from the Company continuing to lease the Property, the Commission authorizes the Company to lease the Property to the Tenant as described in the Petition.

The Company presented its proposed journal entries to record transactions arising from the lease arrangements on Schedule E to its Petition. The Commission has reviewed the proposed accounting entries and determines that they are reasonable and consistent with the Uniform System of Accounts for electric and gas.

To ensure the transaction is accomplished in conformance with this Order, the Commission directs NYSEG to file copies of the final lease agreement and any associated documents with the Secretary to the Commission within 60 days

following the issuance of this Order. The Company shall also file an update to its proposed journal entries included in the Petition, showing the final costs and revenues associated with the transaction, with the Secretary to the Commission within 60 days following the issuance of this Order.

The Commission orders:

1. New York State Electric & Gas Corporation is authorized to lease office space at 18 Link Drive, Binghamton, New York to Coughlin & Gerhart, L.L.P./COIF Realty Corporation.

2. New York State Electric & Gas Corporation shall file a copy of its final lease agreement with Coughlin & Gerhart, L.L.P. within 60 days of issuance of this Order.

3. New York State Electric & Gas Corporation shall file an update to its journal entries for the proposed transaction, reflecting actual expenses and revenues, with the Secretary to the Commission within 60 days following the issuance of this Order.

4. In the Secretary's sole discretion, the deadlines set forth in this Order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least three days prior to the affected deadline.

5. This proceeding is closed pending compliance with the above Ordering Clauses 2 and 3.

By the Commission,

(SIGNED) MICHELLE L. PHILLIPS
Secretary

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 25-E-0231 - Petition of New York State Electric & Gas Corporation for Approval, Pursuant to Public Service Law Section 70, to Lease Property to Coughlin & Gerhart, LLP/COIF Realty with an Original Cost Over $100,000.

NOTICE OF DETERMINATION OF SIGNIFICANCE
(NEGATIVE DECLARATION)

NOTICE is hereby given that an Environmental Impact Statement will not be prepared in connection with the approval by the Public Service Commission of a petition of New York State Electric & Gas Corporation for approval, pursuant to Section 70 of the Public Service law, of the exercise to lease office space to Coughlin and Gerhart, LLP/COIF Realty. The exercise of this approval constitutes an "unlisted" action, as defined in 6 NYCRR §617.2(ak). The approval of the petition enabling the lease of property will not result in any moderate or large impacts as identified in Part II of the short-form EAF. Therefore, based on our determination, in accordance with Article VIII of the Environmental Conservation Law, such action will not have a significant adverse effect on the environment and a negative declaration of environmental significance is adopted.

The address of the Public Service Commission, the Lead Agency for the purposes of the environmental quality review of this project, is Three Empire State Plaza, Albany, New York 12223-1350. Questions may be directed to Joshua Howland

(joshua.howland@dps.ny.gov) at (518) 486-2729 or by writing to the address above.

MICHELLE L. PHILLIPS
Secretary

NEW YORK STATE ELECTRIC & GAS CORPORATION

Petition of New York State Electric & Gas Corporation for Approval, Pursuant to Public Service Law Section 70, to Lease Property to Coughlin & Gerhart, LLP/COIF Realty with an Original Cost of Over $100,000.

Case 25-E-0231

Information Request

Requesting Party: Arielis Vega

DPS Staff No: DPS-02

Company No: CoughlinGerhart-25-002

Request Date: June 13, 2025

Due Date: June 23, 2025

Reply Date: June 23, 2025

Responder: Shawn Southworth

Subject:

NOTE: In all interrogatories, any requests for workpapers, supporting documentation or calculations shall be construed as requesting such materials in MS Excel or other computer spreadsheet models in original electronic format with all formulae intact and unlocked.

Question:

Referring to the Petition, Part II. Discussion, B. Supporting Information, 2. Lease Agreement, Part iii., wherein it states "The Tenant shall receive ten (10) months of free rent during the initial Term as follows: months 1-6 and months 13, 25, 37, and 49. At the time of the negotiations, the real estate market in the Binghamton area dictated approximately one month of free rent per year of the lease term. The free rent was in lieu of a tenant improvement allowance. The lease rate the tenant agreed to pay is above market and the free rent staggered over the term helped offset that rent from an accounting treatment perspective for the Tenant."

1. Explain the Company's statement in its petition that "the lease rate the tenant agreed to pay is above market and the free rent staggered over the term helped offset that rent from an accounting treatment perspective for the Tenant." Specifically, describe the benefit to the Tenant, and the impact on the Company and ratepayers.
2. Provide a comparison to show the difference between the above market rent with ten free months as compared to market rent with no free months of rent.

NEW YORK STATE ELECTRIC & GAS CORPORATION

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Case 25-E-0231

Information Request

3. Explain how above market rent with ten free months rent provides more of a ratepayer benefit than market rent with no free rent.
4. Provide documentation to support the statement that the lease rate is above market value in Binghamton.
5. Provide documentation to support the statement that that the real estate market in the Binghamton area dictated approximately one month of free rent per year of the lease term.
6. Explain whether the lease rate is still above market value when including the months of free rent.
7. Provide a net present value analysis which shows the costs and benefits and overall impact on ratepayers.

Response:

1. As referenced in the initial statement, the Tenant received free rent staggered over the term to more evenly distribute their rent budgeting and reduce their annual rent expense by way of averaging free rent each year. The way to achieve this was to spread the free rent out over the lease term. Otherwise, the Tenant would essentially pay only two months of rent in the first year, and then subsequent payments would considerably increase. To aid the Tenant's budgeting for rent expenses, the Tenant wanted the free rent throughout the term. For example, by applying the 13th month as a free rent month, the Tenant was able to average that out over months 13-24 which reduced their monthly rent on their books.

2. This comparison is not applicable since the market at the time dictated approximately one month of free rent for each year of lease term. The Tenant would have received the free rent whether it was paying above market rent or market rent. NYSEG was effective in negotiating an above market rent, assuming the free rent would have to be included regardless. NYSEG leveraged the cost of Tenant's relocation during negotiations as justification for the Tenant paying a higher lease rate by renewing. In essence, the overall project would have cost the Tenant more if they relocated, even if they had a lower rent rate so they agreed to renew at a slightly above market rate.

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Case 25-E-0231

Information Request

3. As mentioned in #2 above and #5 below, the Tenant would have received the free rent whether it was paying above market rent or market rent. It is to the ratepayer's advantage for the Tenant to pay above market rent. Furthermore, the Tenant, doing business as Coughlin & Gerhart, LLP, is a respected law firm in New York with high creditworthiness. They have nine offices in total, with this Binghamton location as their main office. There is a limited number of other Tenants in the Binghamton market of similar quality seeking space greater than 30,000 square feet.

4. At the time, the Tenant was considering two options for relocation. Below are the rates for each at the time of the transaction:

    - Airport Corp Center: $12.00/sf NNN, NNN charges: $3.00/sf or roughly $15.00/sf gross
    - Huron: $9/sf NNN, NNN charges: $4.50/sf or roughly $13.50/sf gross

    The Tenant's agreed upon rent with NYSEG is [redacted], therefore higher than the other options in the market.

    For additional market rental comparisons from 2022 received from NYSEG's commercial real estate broker, see, "CoughlinGerhart-25-002 Attachment 1 (25-E-0231)."

5. Per NYSEG's commercial real estate broker, the Binghamton office market is small and generally depressed since IBM downsized and ultimately relocated from Endicott, NY. With the IBM relocation, many of the suppliers also relocated. This created an oversupply of office space in the market, so in an effort to attract Tenants, Landlords started to offer aggressive concessions. Part of the concession package was free rent. The free rent package typically offered is approximately one month of free rent for each year of lease term.

6. Yes, it is still above market. Please see the answer to #2.

NEW YORK STATE ELECTRIC & GAS CORPORATION

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Case 25-E-0231

Information Request

7. NYSEG utilizes cash basis revenue accounting and therefore NPV is not relevant. Additionally, there is not a cost/benefit to the rate payers NYSEG can estimate. The general benefit is that the space is not currently needed by NYSEG and the ratepayer is benefiting by receiving rental income on space that otherwise would not be fully utilized. NYSEG did not have to invest any tenant improvement funds to Tenant in order to finalize the transaction.

St #	St name	Tenant	Owner	City	Lease SF	Lease rate	Lease type	Lease term	Base rate	Date signed	Cmncd	Exp date						
2	Court Street	Crowley-HP Hood	Vitaluna LLC	Binghamton	2,590	$15.00/SF	Gross	60.00 mos	$15.00/SF	6/14/2019	7/1/2019	6/30/2024	Yes	G5665	G3649			
95	Court Street	Broome County Arts Council	95 Court Street LLC	Binghamton	2,249	$0.92/SF	Mod Gross	36.00 Mo	$0.83/SF	12/10/2018	11/1/2018	10/31/2021	Yes		G3494			
30	Front Street	Freshy Sites	Roberson Memorial Inc	Binghamton	3,693	$11.00/SF	Gross	24.00 mos	$11.00/SF	8/25/2017	8/3/2017	8/2/2019	Yes	G4985	G3326			
122	State Street	Stifel Nicholaus	Rkhan Property Management	Binghamton	2,811	$12.00/SF	Mod Gross	60.00 mos	$12.00/SF	11/12/2021	10/1/2021	11/30/2026	Yes	G6241	G3989			
30	Front Street	Freshy Sites	Roberson Memorial Inc	Binghamton	3,693	$12.62/SF	Gross	12.00 mos	$12.62/SF	8/7/2019	9/1/2019	8/31/2020	Yes	G5669	G3651			
53	Chenango Street	BlueStorm Technologies Inc	Centre Plaza Associates	Binghamton	2,475	$12.80/SF	Gross	36.00 mos	$12.80/SF	2/26/2020	2/24/2020	2/23/2023	Yes	G1571	G3729			
65	Court Street	Equity Ventures LLC	Rkhan Property Management	Binghamton	2,400	$12.50/SF	Mod Gross	36.00 Mos	$12.50/SF	4/2/2021	5/1/2021	4/30/2024	Yes	G6070	G3888			
84	Court Street	Havas Edge LLC	COURT & CHENANGO LLC	Binghamton	2,183	$13.50/SF	Mod Gross	36.00 mos	$13.50/SF	10/25/2021	10/25/2021	10/24/2024	Yes	G5995	G3977			
89	Court Street	Springbrook NY Inc	FDG Real Property Holding	Binghamton	2,200	$12.21/SF	Mod Gross	60.00 mos	$12.21/SF	12/13/2019	2/20/2020	2/19/2025	Yes	G5683	G3698			
455	Court Street	Rural Health Network	Colosi, Alan	Binghamton	4,430	$10.15/SF	Gross	18.03 Mo	$10.15/SF	9/24/2018	9/1/2018	3/1/2020	Yes		G3460			
84	Court Street	Elmira Savings Bank	19 Chenango Street Inc	Binghamton	4,175	$12.50/SF	Mod Gross	60.00 mos	$12.50/SF	3/8/2017	3/1/2017	2/28/2022	Yes	G4845	G3255			
222	Water Street	Motili Inc	218 Water Street LLC	Binghamton	5,000	$16.00/SF	Mod Gross	60.00 mos	$16.00/SF	5/30/2019	5/1/2019	4/30/2024	Yes	G5298	G3609			
89	Court Street	SMS Marketing Services Inc	FDG Real Property Holding	Binghamton	4,104	$10.75/SF	Mod Gross	36.00 mos	$10.75/SF	7/1/2020	9/1/2020	8/31/2023	Yes	G5684	G3771			
111	Grant Avenue	Cetera Financial Group Inc	Bylaw Assocciates LLC	Endicott	2,500	$16.75/SF	Gross	36.00 mos	$16.75/SF	8/7/2019	5/1/2020	4/30/2023	Yes	G5472	G3652			
153	Oakdale Road	K4 Holdings	Oakdale Valley Assoc LLC	Johnson City	4,560	$10.61/SF	NNN	60.00 mos	$10.61/SF	12/12/2018	1/15/2019	1/15/2024	Yes	G5374	G3497			
2271	Airport Road	Maine Electronics	Planavsky, David	Johnson City	3,600	$5.50/SF	Gross	60.00 mos	$5.50/SF	6/14/2019	6/1/2019	5/31/2024	Yes	G5334	G3626			
320	Jensen Road North	Profit Rhino	Vestal Jensen Development LLC	Vestal	4,685	$9.50/SF	NNN	60.00 mos	$9.50/SF	12/1/2017	12/1/2017	11/30/2022	Yes	G4525	G3360			
120	Plaza Drive	Jaggaer	REWJ Associates	Vestal	4,520	$18.18/SF	Gross	36.00 Mo	$18.18/SF	7/2/2018	11/1/2018	10/31/2021	Yes		G3437			
503	Plaza Drive	Progressive Insurance	Plaza Drive Properties LLC	Vestal	3,000	$15.50/SF	NNN	60.00 mos	$15.50/SF	2/17/2020	9/1/2020	8/31/2025	Yes	G2502	G3724			
3439	Vestal Pkwy	Mostafa, Helmy DDS	Vestal Commons LLC	Vestal	2,948	$19.50/SF	NNN	120	$19.50/SF	7/30/2019	8/26/2019	8/25/2029	Yes	G5660	G3648			
601	Gates Road	Community Options NY Inc	WSKG	Vestal	3,000	$9.71/SF	Mod Gross	24.00 mos	$9.71/SF	6/13/2017	9/1/2017	8/31/2019	Yes	G4813	G3291			
3469	Vestal Pkwy	Rutty & Morris Management Group LLC	Sawtelle Development	Vestal	2,700	$8.22/SF	NNN	36.00 mos	$8.22/SF	8/2/2018	10/1/2017	9/30/2020	Yes	G4234	G3444			
4104	Old Vestal Road	AXA Group	Kradjian Enterprises	Vestal	3,070	$16.51/SF	Mod Gross	36.00 mos	$16.51/SF	6/3/2019	7/1/2019	6/30/2022	Yes	G5399	G3611			
4100	Old Vestal Road	Greenlight	Vestal Executive Park Inc	Vestal	4,840	$16.65/SF	Other	88.00 mos	$16.65/SF	11/10/2021	1/1/2022	4/30/2029	Yes	G6240	G3987			
320	Jensen Road North	IHeart Media	Vestal Development Jensen	Vestal	3,500	$10.95/SF	Gross	84.00 mos	$10.95/SF	4/19/2017	3/1/2017	2/29/2024			B	Yes	G4525	G3272

CUSHMAN & WAKEFIELD | Pyramid Brokerage Company

St #	St name	Tenant	Owner	City	Lease SF	Lease rate	Lease type	Lease term	Base rate	Date signed	Cmncd	Exp date					
184	Court Street	Our Lady Of Lourdes Memorial Hospital	FGR Realty	Binghamton	22,608	$15.40/SF	NNN	36.00 Mo	$15.40/SF	4/5/2021	7/1/2021	6/30/2024		Yes		G3890	
278	Robinson Street	Our Lady Of Lourdes Memorial Hospital	Akel-Lane Robinson Development LLC	Binghamton	15,050	$21.50/SF	NNN	60.00 mos	$21.50/SF	9/2/2020	10/1/2020	9/30/2025		Yes	G5901	G3792	
215	Front Street	Our Lady Of Lourdes Memorial Hospital	225 Front Street LTD	Binghamton	12,565	$14.80/SF	NNN	60.00 mos	$14.80/SF	2/4/2020	1/1/2020	12/31/2024		Yes	G5765	G3719	
1700	North Street	Conduent	Huron Real Estate Associates	Endicott	12,171	$8.50/SF	NNN	24.00 mos	$8.50/SF	11/2/2018	11/1/2018	12/1/2020		Yes	G3851	G3479	
18	Washington Avenue	Citizens Bank	CRE JV Branch Holdings LLC	Endicott	12,125	$10.00/SF	NNN	60.00 mos	$10.00/SF	3/6/2017	10/1/2016	9/30/2026		Yes	G4786	G3253	
1700	North Street	Conduent	Huron Real Estate Associates	Endicott	21,154	$8.75/SF	NNN	43.00 mos	$8.75/SF	3/28/2017	5/1/2017	12/30/2020		Yes	G3851	G3266	
4102	Old Vestal Road	Our Lady Of Lourdes Memorial Hospital	MPW LLC	Vestal	10,368	$14.50/SF	NNN	60.00 Mo	$14.50/SF	4/6/2020	8/15/2020	8/14/2025		Yes		G3745	
1701	North Street	NCI	Huron Real Estate Associates	Endicott	51,508	$9.94/SF	NNN	12.00 mos	$9.94/SF	11/6/2020	3/1/2020	2/28/2021	B		Yes	G4859	G3833
33	Lewis Road	United Health Services	JMI	Binghamton	14,000	$12.00/SF	NNN	60.00 Mo	$12.00/SF	1/7/2016			No	G1757	G3156		
33	Lewis Road	Rockwell Collins Simulation & Training Solutions	JMI	Binghamton	58,391	$7.28/SF	NNN	60.00 mos	$7.28/SF	10/29/2020	10/1/2020	9/30/2025			Yes	G5967	G3828

Internal Use

NEW YORK STATE ELECTRIC & GAS CORPORATION

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Case 25-E-0231

Information Request

Requesting Party: Arielis Vega

DPS Staff No: DPS-05

Company No: CoughlinGerhart-25-005

Request Date: July 31, 2025

Due Date: August 11, 2025

Reply Date: August 4, 2025

Responder: Steven Tulgan

Subject:

NOTE: In all interrogatories, any requests for workpapers, supporting documentation or calculations shall be construed as requesting such materials in MS Excel or other computer spreadsheet models in original electronic format with all formulae intact and unlocked.

Question:

1. Regarding the building located at 18 Link Drive, Binghamton, NY, being leased by Coughlin & Gerhart, LLP/COIF:

    a. Explain whether the Company uses the property the building is located on, including the building itself. If so, indicate how much (square footage) of the building the Company utilizes.

    b. Explain whether the Company has any future plans for the building. If so, describe how the Company might use the building in the future, and when.

Response:

1.a. The building is 215,547 SF sitting on 23.1 +/- acres, and Coughlin & Gerhart occupy 33,275 SF, or approximately 15% of the total building. The building and property are currently utilized by NYSEG as one of its main office locations in NYS, occupying the remaining 85% balance of the building (182,272 SF).

1.b. NYSEG will continue to occupy the building now as a customer service center backup command and control facility as well as a data center.

NEW YORK STATE ELECTRIC & GAS CORPORATION

Petition of New York State Electric & Gas Corporation for Approval, Pursuant to Public Service Law Section 70, to Lease Property to Coughlin & Gerhart, LLP/COIF Realty with an Original Cost of Over $100,000.

Case 25-E-0231

Information Request

Requesting Party: Joshua Howland

DPS Staff No: DPS-09

Company No: CoughlinGerhart-25-009

Request Date: May 12, 2026

Due Date: May 22, 2026

Reply Date: May 20 2026

Responder: Gina Speranza

Subject: Impacts of Lease Agreement

NOTE: In all interrogatories, any requests for workpapers, supporting documentation or calculations shall be construed as requesting such materials in MS Excel or other computer spreadsheet models in original electronic format with all formulae intact and unlocked.

Question:

As part of Exhibit__(IPCC-6) in Cases 25-E-0375 et al., NYSEG requested funding in the Buildings and Facilities category of its common capital budget to support incremental Full Time Equivalents (FTEs).

In response to Question 7 of DPS-02 in Case 25-E-0231, NYSEG stated, "The general benefit is that the space is not currently needed by NYSEG and the ratepayer is benefiting by receiving rental income on space that otherwise would not be fully utilized."

1. Why does NYSEG believe that this office space is not currently needed?
    a. Could this office space be used for NYSEG FTEs in the future?
2. Explain how the revenues received from Coughlin and Gerhart were factored into the Company's proposal for capital costs in Cases 25-E-0375 et al.
3. Could NYSEG utilize the office space that Coughlin and Gerhart is requesting to lease to support its incremental FTE request?

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a. If yes, what types of costs would the Company incur before being able to fully utilize the office space?

4. If Coughlin and Gerhart were no longer authorized to occupy this office space, what would NYSEG do with the vacant space?

5. Explain whether NYSEG performed an analysis to determine whether occupying this office space versus continuing to rent out the office space would be more beneficial to its ratepayers. If NYSEG did perform an analysis, provide supporting details and an explanation of the analysis and findings. If not, explain why NYSEG did not perform such an analysis.

Response:

1. NYSEG believes the office space currently occupied by Coughlin & Gerhart is not needed at this time because any required capital investments to support additional FTEs would be necessary regardless of whether the Company uses existing NYSEG facilities or expands into the leased space. Additionally, current operational needs are being fully met within NYSEG's existing facilities, and no unmet space requirements have been identified that would necessitate utilization of the Coughlin & Gerhart space.
    a. Should the need arise, and there are no other feasible options within other NYSEG properties, and the Coughlin and Gerhart space is identified as the most logical place to be re-occupied by NYSEG, then it is possible to utilize the office space for NYSEG FTEs in the future. At that time, capital investment would be required to configure the space to accommodate those needs.

2. In case 25-E-0375 et all, the revenues received were included in NYSEG's revenue requirement and offset costs associated with the Kirkwood facility.

3. NYSEG determined that the incremental FTEs being requested can be accommodated within Company's existing building footprint (excluding the lease space), as any capital investments being requested to accommodate incremental FTEs within NYSEG's existing building space would also be necessary to fully utilize the currently leased space.

4. Should Coughlin and Gerhart no longer occupy the space, NYSEG would evaluate whether the Company requires the additional space in the building for its operational purposes. If the additional space is not necessary at that time, NYSEG would seek to enter into a lease with a new tenant.

5. No quantitative analysis was performed as there was not a need to conduct such an analysis. If there was a competing internal use for the space, NYSEG would have performed such an analysis, incorporating factors like whether it was more cost effective for NYSEG to lease third party space rather than re-occupy the Coughlin and Gerhart space and forgo the lost lease revenue.