STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Central Hudson Gas & Electric Corporation for Electric Service.	**Case 24-E-0461**
Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Central Hudson Gas & Electric Corporation for Gas Service.	**Case 24-G-0462**

OPPOSITION BRIEF OF COMMUNITIES FOR LOCAL POWER

Dated: May 23, 2025

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Preliminary Statement

Communities for Local Power ("CLP") submits this Brief in Opposition to the Joint Proposal ("JP") filed with the New York State Public Service Commission ("PSC" or "the Commission") by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") and signatory parties to this proceeding on May 13, 2025.

CLP is a 501(C)3 nonprofit organization that helps communities in the Mid-Hudson Region transition to a locally based, clean energy economy. Combining research, education, advocacy, and project coordination, CLP supports community and municipal engagement in energy decision-making, transforming energy policy and practice to strengthen local economies, mitigate climate change, and increase resilience. CLP is a small nonprofit organization with a staff of four. Much of our focus is devoted to our Empower Program, which works with local contractors to train workers for employment in businesses that help our society master the energy transition that our civilization requires if we are to survive the climate crisis.

Since its formation, CLP has expended considerable effort and faithfully participated in a number of cases overseen by New York's Public Service Commission, including rate cases and other proceedings whose resolution impacts our constituencies in the Mid-Hudson region. Our active participation in the instant cases, 24-E-0461 and 24-G-0462, is undertaken with the goal of protecting ratepayers in our community from unjustified rate hikes and other harms, while also seeking to encourage the Company to take measures that effectively address the risks we face as a result of human-induced climate change. CLP submitted a number of Interrogatory Requests ("IRs"), along with testimony by former CLP Executive Director Jess Mullen, aimed chiefly at providing evidence of the Company's inordinately high arrears as compared with other utilities in New York State. CLP has participated as a Party throughout the settlement negotiations.

Based on the document that emerged as a result of settlement negotiations, CLP does not support the Joint Proposal ("JP"). We have appreciated the opportunity to participate as a Party and to present our case during the settlement process and in this document. In the following, we describe both our agreement with a number of gains achieved during the negotiations, and our significant grounds for opposing the settlement as a whole.

CLP raises objections to specific provisions of the current JP. We enumerate our problems with the JP's terms in the following areas:

- An overall increase that is too high, threatening low- and middle-income customers – and potentially others, as well – with default and termination;
- Managerial salary increases that are undeserved and out of line with inflation;
- Gas leak-prone pipe replacements that aim to preserve and profit from a system that should be slated for reduction and removal;
- Inadequate response to the requirements of New York's CLCPA;

- Lack of clarity on the Company's financial relationship to Fortis, specifically as regards "overhead" payments to the Canadian multinational that acquired Central Hudson in 2013.

The rate case process includes highly detailed reviews of utilities' cost projections in areas ranging from personnel and operating expenses to planned capital expenditures and – last but in CLP's opinion not least – proposed responses to the legal requirements imposed by state laws like New York's CLCPA. Settlement conversations represent a series of "horse-trading" exchanges that in the best case lead to productive compromise between the subject utility, staff of the Department of Public Service ("DPS"), and various intervenors, from individuals representing government entities such as Dutchess County, to major corporations like Walmart, to non-profits such as Public Utility Law Project ("PULP") and CLP that fight for the interests of the public. This process does work to mitigate – sometimes significantly – the increases requested by the utilities. At the same time, the process is, by design, not effectively focused on larger questions such as how best to allocate customer dollars – or shareholder contributions – in response to major societal issues like the urgency of increasing the availability of economically affordable and safely delivered electrical energy to societies that are experiencing rapidly increasing economic inequality, or the certain expectation of increasingly severe climate change and the resulting need to reduce and eventually altogether abandon the burning of fossil fuels for energy.

CLP's Brief in Opposition attempts to honor the regulatory process without losing sight of these larger issues, while opposing cost increases that serve only to line the pockets of the Canadian corporation that acquired Central Hudson in 2013 over CLP's objections – and after an initial negative recommendation by the Administrative Law Judges in that proceeding.

One consequence of this acquisition was the roll-out of a billing system which created significant financial hardship for the local community and has led to years of mistrust and public outcry over a lack of urgency to repair this financial hardship caused by Central Hudson. On the heels of this hardship, it is especially hard to justify the large increases to rates, salaries, and proposed investment in gas infrastructure, since the local community still does not trust Central Hudson to properly use these funds generated by ratepayers to adequately meet their needs.

Some Positive Aspects of the JP

On the positive side, there is the Company's commitment to take outreach actions aimed at increasing enrollment in the Company's EAP and that, during Rate Year 1, it will endeavor to achieve enrollment of 15,500 EAP participants and to maintain that level of EAP participant enrollment in Rate Year 2 and Rate Year 3. Further, beginning in Rate Year 2, to the extent that EAP participation falls below 15,500, that the Company will waive the late fees for the current month for any new self-certifying enrollment as additional incentive for the customers to enroll in the EAP.

We support the Company's agreement to conduct an internal audit of its Energy Affordability Program (EAP) by the end of Rate Year 2 to verify enrollment records and participant eligibility for the period encompassing September 2021 through December 2024. CLP's community contacts have repeatedly informed us – and continue to report – that the serious billing errors that followed the botched implementation of the Company's new SAP billing system in September 2021 are not a thing of the past.

We welcome the Company's openness to continuing study and rectification of its billing problems, particularly as regards customers who are low- or middle-income, and will continue to work with community members and allied organizations, including intervenors For the Many and PULP, to help ensure that failure to recognize customers' current or previous EAP status and other billing problems are fairly resolved.

We also welcome the improvements that have already begun to be implemented to make the Company's website accessible in Spanish to customers whose native language is not English. We look forward to the completion of Spanish-language text on the website, the future addition of Q'eqchi, and recognition of additional languages that are spoken locally. CLP will follow the Company's progress in this area with interest.

Reasons for Opposition

1. The JP fails to provide ratepayers with affordable service

The central, fundamental responsibility of Central Hudson as a regulated public utility is to provide safe, reliable, and affordable service. CLP concludes that this rate case has actually reduced the Company's commitment to ensuring the safety of its customers – including their essential access to gas and electricity for heating and cooling – and has further compromised its expectation of what it means for Central Hudson to provide ratepayers with affordable service. Following a rate hike of 7.85 percent for electric delivery and 9.19 percent for gas delivery in its most recent rate case, which concluded *less than a year ago*, in July 2024, the JP would award the Company additional increases for electrical customers of 5.5 percent (electric, Rate Years 1), and 5.3% (electric, Year 2 and 3); and increases for gas customers of 8.8%, 8.7%, and 9% percent (gas, RYs 1, 2, and 3), along with a $2 increase in the basic service charge, as follows:

Central Hudson percent monthly delivery rate increases for residential customers[1]		**Electric**		**Gas**
2025 CH initial request		8.6%		11.5%
2025 JP recommended (RY1), after modification		5.5%		8.8%
2026 JP recommended (RY 2), after modification		5.3%		8.7%

[1] Case 24-E-0461 & Case 24-G-0462, "Summary of Electric and Gas Rates Joint Proposal," p.1

2027 JP recommended (RY 3) after modification		5.3%		9.0%
Total JP recommended delivery rate increases 2025-2027		16.1%		26.5%

This means that if the JP is approved, customers will see delivery rate increases, over a term the most recent one-year increase in 2024 and the three rate years covered by the JP, that will result in a grand total of *23.9 percent* for electric and *35.69 percent* for gas.[2] This is outrageous and is clearly unaffordable and unsustainable.

In this Brief in Opposition, CLP focuses on the JP's proposed increases in Central Hudson's delivery costs, which are fixed and are the same for all residential customers who are not enrolled in an affordability program. The figures and percentages considered above apply only to the delivery portion of the customer bill, for which the Company is entirely responsible and which directly increases the Company's profit margins. The cost of "supply" (actual electricity and gas distributed by the Company and consumed by rate-payers) is based primarily[3] on the amounts paid by Central Hudson for electricity or gas produced by others and is dependent on a given customer's actual usage, which is not controlled by the Company and may vary depending on a host of individual factors.

Despite the innate uncertainty and unpredictability of supply costs, the JP does provide estimates of "typical" monthly bill increases including the electricity and/or gas supply that average[4] customers are projected to encounter if the JP is approved. Here are those estimates, with the addition of a final summary showing the estimated *total* projected monthly bill increases for residential electric and gas:[5]

Projected 3-year monthly bill increase		Rate Year 1		Rate Year 2		Rate Year 3		3-year projected monthly bill increase
Residential electric		$5.43		$6.25		$6.62		$18.30
Residential gas		$7.73		$11.27		$12.37		$31.37

Irrespective of any additional increases in the cost of energy supplies, which could be unusually large due to tariff increases currently being considered at the federal level, there can be no doubt

[2] The impact of the percent increases will be larger than these figures show, since the percentage increases in any given year are calculated based on an amount that includes actual increases imposed during the previous year.
[3] The Company routinely states that it earns nothing on the supply portion of customer bills; however, this is not 100% accurate. A glance at any customer's monthly bill reveals the following *five* additional charges, all calculated based on the customer's electrical usage in kilowatt hours: 1) MFC Administrative Charge, 2) Transition Adjustment, 3) SBC/RPS Charges, 4) "Misc. Charges," and 5) RMD charges. There can also be a "Bill Credit," defined as "a mechanism to refund a regulatory balance owed to customers." In other words, this credit, where it exists, is a result of decisions made in regulatory proceedings that are imposed on the Company.
[4] The "average" usages per customer are pegged at 630 KW of electricity and 6.4 hundred cubic feet of gas.
[5] Case 24-E-0461 & Case 24-G-0462, "Summary of Electric and Gas Rates Joint Proposal," p.2

that the proposed increases in the Company's delivery costs alone will suffice to render a great many customers unable to pay their utility bills.

2. The JP fails to fully acknowledge or respond adequately to the Company's arrears problem.

To fully appreciate the extent of the hardship that Central Hudson customers will experience, it is necessary to consider the number of such customers who – whether or not they classify as low- or middle-income – are already failing to pay their monthly utility bill.

According to PULP, and as evidenced in case 14-M-0565 (Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers), New Yorkers' utility arrears are higher now than they were before the COVID pandemic.

Currently, Central Hudson's reports in proceeding 91-M-0744 show that, in April 2025, a total of 50,019 residential customer accounts were 60 days or more in arrears. This means that – despite the considerable efforts being made to address energy affordability through legislative funding and statewide attention to special programs available to EAP customers – nearly *16 percent* of the Central Hudson's estimated 315,000 residential customers[6] were in arrears in April. This contrasts with approximately 10 percent of Con Edison's estimated 3,600,000 residential customers or 9 percent of NYSEG's estimated 1,175,000 residential customers who were 60 days or more in arrears as of April 2025.[7]

It is true that some of Central Hudson's customers face an additional obstacle in the form of the unreliable bills that continue to afflict them following the billing debacle caused by the Company after its new billing system was installed in September 2021. CLP acknowledges that the Company's shareholders have assumed responsibility for the flawed billing, having previously agreed in a settlement with the Public Service Commission to pay a fine of up to $64.59 million as penalty. Unfortunately, although the public is regularly assured that the billing system has "stabilized," CLP still receives reports of customers – including those who have installed solar panels on their property – who continue to receive inaccurate bills, sometimes thousands of dollars in excess of what they actually owe. The continuing issuance of inaccurate bills and the more general lack of trust and certainty they have caused undoubtedly contribute to the Company's inordinately high level of arrears and its unpopularity among the general public.

As noted above, the JP projects actual monthly delivery bill increases, by Rate Year 3, that total $18.30 monthly for electrical delivery and $31.37 monthly for gas delivery. Apart from the rough nature of these estimates, the impact of a given (estimated) dollar increase on a residential customer can vary considerably depending on that customer's circumstances. Skyrocketing gas delivery costs are particularly onerous for households living in rental apartments in those cities where the Company supplies gas heating and landlords likely pass those costs on to tenant

6 Central Hudson, "Our Service Territory," https://www.cenhud.com/en/about-us/our-service-territory/

7 Case 91-M-0744, April 2025 Reports from Central Hudson, Con Edison, and NYSEG

households. Ulster County's rental crisis is exacerbated by such cost increases, pushing many poor residents into economic precarity and homelessness. (Notably, Ulster County has seen an 81% rise in homelessness since 2014.[8]) Under the current "public" (stockholder-owned, ratepayer supported) utility energy system, the costs of the beneficial electrification that is required to meet climate goals will also fall on ratepayers, which only further exacerbates the problem. It is therefore incumbent upon "public" utilities and the institutions charged with their oversight to press as strongly as possible for the moderation or reduction of energy charges.

Given the clear likelihood, nay, inevitability, of growing arrears and growing numbers of affected customers who will suffer from termination, it is unacceptable for the JP to significantly increase the costs of reconnection, which, given the hardship and inability to pay that such customers have demonstrated, seems overly harsh and indeed punitive:

> The Company's Reconnection Charge, which is associated with restoring power for customers whose service has been discontinued for nonpayment, will be updated to: $70 for normal business hours, $260 for normal business hours with a gas mechanic crew, $130 for other hours, and $350 for other hours with a gas mechanic crew.[9]

NB: HEAP enrollments at July 2024 totaled 11,973 according to the Company's Annual Energy Affordability Program Report filed January 21, 2025, in cases 14-M-0565 and 20-M-0266.

3. Managerial salary increases are excessive and inappropriate

In CLP's opinion, the Company's managers do not deserve the 4 percent increase in their salaries that the JP proposes. Less than a year ago, in July 2024, the same non-union management and executive employees received a 4 percent wage increase at the expense of ratepayers. The JP recommends a similar increase. We disagree. The cumulative rate increases approved for the two-year period are materially undeserved and out of line with inflation, which currently stands at 2.4 percent.[10] It must be particularly galling for those Central Hudson customers who are suffering from the recently approved 7.85 and 9.19 percent increases in the delivery costs for electric and gas delivery, along with continuing billing issues and still inadequate customer service, to see the PSC rewarding the Company's managers – who ultimately bear responsibility for these customers' troubles – with increase after salary increase.

4. Gas leak-prone pipe replacement plans conflict with climate law and will lead to unmanageable stranded costs.

The JP includes significant capital expenses to cover the cost of "leak-prone pipe" removals and replacement. CLP understands that this pipe, which Central Hudson "classifies…as cast iron,

[8] "Ulster County Emergency Housing Snapshot," April 2025, https://comptroller.ulstercountyny.gov/wp-content/uploads/2025/04/Emergency-Housing-Snapshot-.pdf.
[9] Case 24-E-0461 & Case 24-G-0462, "Joint Proposal and Appendices," p. 36
[10] The annual inflation rate for the United States was 2.4 percent for the 12 months ending March, compared to the previous rate increase of 2.8 percent, according to the U.S. Labor Department data published on April 10, 2025. Source: US Inflation Calculator, www.usinflationcalculator.com/inflation/current-inflation-rates

wrought iron, or steel that is either bare or ineffectively coated and not cathodically protected,"[11] actually does have a tendency to leak and that, in such cases, it is in everyone's interest that it be removed. However, the current program being implemented by the Company is not predicated on any actual leaks, nor does it permanently remove the pipe. Replacing the entire gas pipeline system with new and better gas pipelines, costing an average of $4.3 million per mile and a total cost of $34-$65 billion for the state,[12] is emphatically *not* the solution.

On the contrary, it is abundantly clear that New York State must transition *away* from fossil gas if the State is to have the ghost of a chance of meeting its environmental goals as expressed in the CLCPA, with all the attendant benefits for the climate and the public.

CLP contends that the Company's (and other gas distribution utilities') reliance on inadequate, ultimately false solutions serves as an excuse for its failure to take the determined steps that would be required to "substantially" and "strategically" downsize the existing gas system. CLP has submitted its critique of "low-carbon fuels" elsewhere, specifically in filings related to the Gas System Long Term Plan (GSLTP) proceeding, and will not fully rehash them here.[13] Suffice it to say that among these false solutions, "RNG" ("renewable natural gas") lacks credible sources of regulation and certification, while the Company's description of its prospects for hydrogen blending lack even a clear definition or statement on whether it intends to use "green" hydrogen (created using hydrogen generated from renewable resources) or "blue" hydrogen (created using electricity generated from mixed fossil-fuel-based and renewable resources). In the case of the only form of hydrogen that would be actually climate-friendly ("green" hydrogen), the use of green electricity to generate more green electricity is questionable on its own terms. Even in the best case, it has limited prospects. Thus, according to the Scoping Plan, "As for green hydrogen, the existing gas system was not designed to handle any substantial quantity of blending of hydrogen, so the safety and durability of the system must be addressed before hydrogen is introduced into existing infrastructure."[14] A brief published in February 2025 by Synapse Energy Economics has further elaborated on this problem and the inevitable consequences for consumers.[15]

These false solutions, if adopted, will entail expensive investments in current gas distribution systems, resulting in what Synapse Energy Economics has identified as "an unsustainable feedback loop in which fewer and fewer gas customers will be left to cover the utilities' costs."[16]

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[11] Central Hudson, "Gas System: Long Term Plan," p. 25
[12] Switchbox, "Targeted Electrification in New York State: An Alternative to Leak-Prone Pipeline Replacement," www.switch.box/lpp
[13] CLP's Initial Comments on Central Hudson's GSLTP were filed April 29, 2024, and are available on the Matter Master of Case 23-G-0676
[14] New York State Climate Action Council Final Scoping Plan, p. 351
[15] Synapse Energy Economics, "New York Gas Utilities Digging Consumers into a Deeper Hole," www.synapse-energy.com/sites/default/files/NPAs%20and%20Line%20Extension%20fact%20sheet%20draft%20NRDC%2024-030.pdf. CLP has addressed these issues in greater detail in its filings in case 23-G-0676.
[16] Ibid., p.1.

The JP, closely following and based in part on the Company's Gas System Long Term Plan and other filings in the Gas System Long-Term Planning proceeding, fails to offer a viable alternative.

5. Inadequate Response to New York's CLCPA

New York's nation-leading climate law, the Community Leadership and Climate Protection Act, or CLCPA, and the Scoping Plan that followed its adoption, prescribe numerous steps that utilities should take to allow the State to reach its climate goals. Among its findings, the Scoping Plan clearly targets the need to "substantially reduce" reliance on fossil gas:

> "The Final Scoping Plan states that the achievement of the CLCPA's emission limits will entail a substantial reduction of natural gas usage with a corresponding downsizing and decarbonization of the natural gas infrastructure system. The Final Scoping Plan notes that such gas reductions will require coordination among multiple sectors, including the buildout of local electric transmission and distribution systems to meet anticipated increases in demand for electricity, increases to demand reduction measures for fossil natural gas, and the identification of strategic opportunities to retire existing pipelines as demand declines."[17]

And this:

> "New York State will need to implement an ongoing effort to plan for and manage the strategic downsizing and decarbonization of the gas system as the transition to greater electrification proceeds. That ongoing effort should include identification of strategic opportunities to retire existing pipelines as demand declines and exploration of the safest, most reliable, resilient, and least expensive approaches for an orderly transition. One scenario that should be considered is seeking to move whole streets or neighborhoods at a time from gas infrastructure to a community-based thermal energy network that supports heat pumps. A utility could own and run the thermal energy network, which would support heat pumps in individual buildings, with the heat pumps owned by the building owner. During the transition to the decarbonized systems, some investments in traditional infrastructure will still be necessary to maintain reliability and safety for remaining fossil natural gas customers, but greater scrutiny of such investments is warranted to minimize the level of stranded assets that make it more expensive to fully decarbonize the fossil natural gas sector."[18]

This is not the Company's approach. As previously noted by CLP in comments filed July 26, 2024, in case 23-G-0676 (In the Matter of a Review of the Long-Term Gas System Plans of Central Hudson Gas & Electric Corporation).

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[17] New York State Climate Action Council Final Scoping Plan, p. 350-351
[18] New York State Climate Action Council Final Scoping Plan, p. 351

"The JP, like the Company's responses in the GSLTP planning process, reveals Central Hudson's driving purpose: to preserve and perfect the gas network by means of extensive capital investment –- while protecting and increasing its ROE. CLP contends that this is consistent with the Company's participation in a coordinated campaign by gas utilities across the state and the country. Central Hudson has well-documented ties to pro-gas lobbying organizations. As CLP established in the 2023 rate case, Central Hudson has worked with New Yorkers for Energy Affordability ("NYAE"), which is a front group for the gas industry. Central Hudson is also affiliated with the American Public Gas Association ("APGA"), which leads a nationwide effort by gas companies to influence policy and public opinion, and is involved in NYSEARCH, a coalition of utilities across New York, the United States, and Canada, and a program of the Northeast Gas Association. NYSEARCH focuses on research and development in decarbonizing the gas sector through enhanced leak detection and measure assessment. As part of the Company's involvement in NYSEARCH, "they have sponsored projects to help the industry move towards the adoption of low-carbon fuels, such as RNG and hydrogen, and to learn how these low-carbon fuels can be leveraged across the gas sector.."[19]

Section XXII of the JP, "Climate and Energy Leadership Initiatives" contains a list of those provisions that purportedly support the CLCPA:[20]

The Signatory Parties agree that this Proposal contains provisions supportive of and in furtherance of the objectives of the CLCPA, including:

1. Continuation of CLCPA Phase 1 projects;
2. Replacement of leak-prone pipe, year-end leak backlog targets, and continuation of the Leak Prone Services Replacement Program;
3. Continuation of the Company's differentiated gas pilot program;
4. Continuation of the Company's fleet electrification efforts;
5. Elimination of gas declining block rates;
6. Elimination of the high-volume usage rate discount offer to firm non-residential gas transportation customers;
7. Continuation of the Company's efforts to explore NPAs designed to displace the need for traditional gas infrastructure investments; and
8. The incorporation of Clean Heat Program information into the Company's natural gas service applications.

CLP, in this document, has addressed the problems raised by items #2 (replacement of leak-prone pipe) and #3 (use of "differentiated gas") above. These false "solutions" are based on ill-defined and inadequate measures that by definition cannot succeed in bringing about the "strategic downsizing and decarbonization" of the gas system. CLP strongly supports items #5 (Elimination of declining block rates) and #6 (Elimination of high-volume usage rate discounts

[19] Case 23-G-0676, "Additional Comments of Communities for Local Power," p. 5
[20] Case 24-E-0461 & Case 24-G-0462, "Joint Proposal and Appendices," p. 56

offered to firm non-residential gas transportation customers), and we are happy to see the final item (#8), which entails increased information to customers about alternatives to gas.

The remaining item #7, “Continuation of the Company’s efforts to explore NPAs designed to displace the need for traditional gas infrastructure investments,” would be wonderful if it were not entirely toothless. Without a goal or timeline, or any consequences for failure to meet given objectives, “Continuation of the Company’s efforts” is not a requirement.

The JP should add oversight to these proposed solutions, require the company to focus on the solutions that are in alignment with the CLCPA, and require a reduction of investment in pipe replacements

6. The JP lacks transparency regarding the Company’s payments to its foreign owner, Fortis, Inc.

As stated in the JP, “Subject to the cost allocation requirements set forth in the Order Authorizing Acquisition Subject to Conditions issued on June 26, 2013, in Case 12-M-0192 (“Acquisition Order”), the Company will report any changes in the allocation methodology of Fortis overhead costs within 60 days after the revised cost allocation effective date. The Company will also report any change in the Fortis Overhead / Allocation Methodology in its Annual Report of Affiliate Transactions filed on April 1 of each year pursuant to the Acquisition Order.”[21]

Interestingly, the referenced Order that enabled Fortis, Inc.’s takeover of Central Hudson (filed June 26, 2013, in case 12-M-0192) does not contain the terms “allocation methodology,” or even “overhead.” Cost allocation is, however, discussed in that proceeding and in the referenced Order (“Case 12-M-0192 - Joint Petition of Fortis Inc. et al. and CH Energy Group, Inc. et al. for Approval of the Acquisition of CH Energy Group, Inc. by Fortis Inc. and Related Transactions, and in the Order Authorizing Acquisition Subject to Conditions in that case (Issued and Effective June 26, 2013).” This document also mentions “cost allocation guidelines,” referring primarily to a document called “Guidelines for Transactions Between Central Hudson and its Affiliates approved by the Commission in Case 96-E-0909 as set forth in Attachment H Cost Allocation Guidelines of the Amended and Restated Settlement Agreement as Approved by the Commission on February 19, 1998.” As far as CLP has been able to determine, the referenced document does not specify any concrete terms governing Central Hudson’s financial obligations to Fortis, Inc.; it specifically does not contain the term “overhead.”

To CLP, it appears that the terms of Central Hudson’s financial obligations to its owner, Fortis, Inc., are less than clear.

[21] Case 24-E-0461 & Case 24-G-0462, “Joint Proposal and Appendices,” p. 22-23

Conclusion

Without the above issues outlined in this opposition brief being addressed, CLP cannot in good conscience support this JP and urges the PSC to modify the JP to address the above issues.

Specifically, the PSC should:

- Lower the rate increase approved for Central Hudson to help reduce the 16 percent of customers who are in arrears.
- Limit managerial salary increases to be in line with the current 2.4% inflation rate.
- Provide additional oversight to ensure compliance with the CLCPA by increasing the company's efforts to remove gas infrastructure and transition to geothermal, renewable energy sources, and other methods to reduce the investment in "leak-prone pipes."

It is within the PSC's power to make these modifications that protect the rate payers in the Company's service territory and we urge the PSC to use their mandated authority to protect the public good.