

March 10, 2025

VIA HAND DELIVERY

Hon. Rory M. Christian Chair New York State Public Service Commission Three Empire State Plaza, 20th Floor Albany, New York 12201-2222

Re: Cost of Energy Transition to Consumers

Case 22-M-0149 – Proceeding on Motion of the Commission Assessing Implementation of and Compliance with the Requirements and Targets of the Climate Leadership and Community Protection Act

Dear Chair Christian:

As you are aware, Multiple Intervenors is an unincorporated association of approximately 55 large industrial, commercial, and institutional energy consumers with manufacturing and other facilities located throughout New York State. Multiple Intervenors writes to you and other members of the New York State Public Service Commission ("Commission") today to express its continuing, significant concerns regarding the current and future price of electric and natural gas service in New York, as well as continued delays in the release of information regarding the costs of implementing the Climate Leadership and Community Protection Act ("CLCPA"). As noted below, Governor Hochul has highlighted "astronomical" energy costs as a grave affordability concern, and the Commission needs to act promptly to provide essential customer impact information.

On May 12, 2022, the Commission issued an "Order on Implementation of the Climate Leadership and Community Protection Act" ("Order") in the above-referenced proceeding. In that Order, the Commission states (at page 11) that it "recognizes that utility ratepayers are currently supporting a significant portion of the clean energy investments and, therefore, it is critical that the State pursues the most cost-effective solutions to meeting the goals of the CLCPA to maintain energy affordability and, where possible, seek alternative funding mechanisms." The Order also states: "Since investments required to implement the CLCPA are becoming a significant driver of utility rate increases, it is critical for DPS Staff to provide the Commission and the public with specific cost-based information to understand the impact of these capital investments on ratepayers as part of our core obligation to ensure just and reasonable rates."

In fact, the Order directs (at page 46) that DPS Staff present information on CLCPA costs annually:

Staff is directed to present to the Commission an annual informational item detailing the Commission's actions and DPS' activities associated with overall compliance with the CLCPA mandates. This presentation shall include, but not be limited to ... the cost and benefits to ratepayers of CLCPA investments over the prior calendar year, including the purchase of RECs and ORECs by LSEs, the costs of local and bulk transmission facilities constructed for purposes of facilitating compliance with CLCPA targets, and the cost recovery associated with NE:NY and other energy efficiency programs implemented by the Utilities and NYSERDA.

On July 20, 2023, DPS Staff presented its "First Annual Informational Report on Overall Implementation of the Climate Leadership and Community Protection Act" ("First Annual Report") in compliance with the Commission's Order in Case 22-M-0149. While Multiple Intervenors could take issue with numerous costs that were excluded from quantification in the First Annual Report, DPS Staff estimated (at page 29) that by the end of 2022, the Commission already had authorized an eye-popping \$43.756 billion in CLCPA-related costs.

Unfortunately, however, there has been no second report from DPS Staff providing public information as to CLCPA implementation costs, in clear violation of the Order. Inasmuch as the First Annual Report was filed on July 20, 2023, the second such report was expected sometime in July 2024. On December 17, 2024 – approximately five months past the report's expected due date – DPS Staff filed a letter in this proceeding informing of a delay. In the letter, Staff states that it "anticipates presenting this report in 2025." To date, the Commission has taken no action in response to the letter, and the public is left wondering whether a report that was directed to be filed annually – and, therefore, was due in July 2024 – will be filed at any point in 2025.

The CLCPA-driven costs highlighted above are impairing energy affordability for consumers of all types, including large non-residential consumers. For many Multiple Intervenors members, the growing cost of electric and natural gas service is harming their ability to conduct business operations in the State, and the tremendous uncertainty that exists regarding future costs negatively impacts decisions as to where to locate production, capital investments, and jobs. For several years, utilities routinely have been granted double-digit percentage delivery rate increases far in excess of inflation, due in large part to fund CLCPA-related investments, and those increases do not include the growing amount of costs being recovered via supply charges and bill surcharges.

To her credit, Governor Hochul now is prioritizing energy affordability, and it is incumbent upon the Commission to do the same. In a recent press release addressing a proposal by NYPA to increase Preference Power rates, the Governor stated: "Today, I'm calling for an end to the Power Authority's unacceptable proposal to raise electric rates on its customers statewide." She also stated that: "Too many New Yorkers are already falling behind on their energy bills, and I will do everything in my power to rein in these astronomical costs." Even more recently, responding to rate increases proposed by Consolidated Edison Company of New York, Inc., Governor Hochul declared that she is "calling on the Department of Public Service to reject Con Ed's proposal for these exorbitant rate increases."

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Governor Hochul is correct; energy costs are too high and seemingly are increasing by the day. The public needs and deserves an expedited, unbiased, and accurate accounting of CLCPA costs, both present and future, and a customer-level analysis (that includes all customer types) of the cumulative effects of those investments on electric and gas delivery and supply costs. Further delay by DPS Staff should not be countenanced.

Thank you for considering the matters addressed in this letter.

Respectfully submitted,

MULTIPLE INTERVENORS

Michael B. Mager

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MBM/jc

cc: Hon. James S. Alesi (via Hand Delivery)

Hon. David J. Valesky (via Hand Delivery)

Hon. John B. Maggiore (via Hand Delivery)

Hon. Uchenna S. Bright (via Hand Delivery)

Hon. Denise M. Sheehan (via Hand Delivery)

Hon. Radina R. Valova (via Hand Delivery)

Hon. Michelle L. Phillips (via Hand Delivery & Electronic Filing)

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