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Audrey Zibelman, Chair

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**Natural Gas, Electricity Prices Expected to be Below Average This Winter
— Utilities Have Adequate Energy Supplies on Hand for Coming Winter Months —**

ALBANY — The New York State Public Service Commission (Commission) today announced that the price of natural gas and electricity this winter is expected to be lower than the five-year historical average, spelling welcome relief for consumers.

“The utilities serving New York State have adequate electric supply, natural gas supply, delivery capacity and storage inventory to satisfy current firm customer demands under severe winter design conditions for this winter,” said Commission Chair Audrey Zibelman. “As a result, we anticipate energy consumers will benefit from lower than average energy prices this winter — welcome news for all of us.”

While bill impacts will vary by utility, natural gas bills in general are projected to be slightly higher this winter compared to last winter because last winter was much warmer than normal, but much lower than the historical average. On the electric side, this winter’s (December through March) commodity prices statewide are projected to be higher than last winter, but lower than the historical average, although commodity prices can vary significantly due to weather and other conditions.

On average, a residential customer using 600 kWh per month is expected to pay about \$41 per month, or about 14 percent less than the five-year historic average, but the amount will vary by utility. The average residential customer using 700 therms of natural gas can expect to pay about \$693, or about 10 percent less than the five-year historical average, but again, the amount varies by utility and with the weather. A colder than normal winter will cause usage and bills to increase.

Presently, electric NYMEX energy futures prices are lower than last winter's NYMEX futures prices. However, due to the unusually warm winter experienced last year, actual market prices turned out to be lower than last year's futures. If the same weather scenario occurs this year, then actual prices would be lower than NYMEX forecast prices. In keeping with Commission reliability requirements, natural gas companies are auditing systems, processes and procedures, as well as scheduling tests to ensure that interruptible customers comply with the Commission's alternate fuel requirements.

Commission staff has reached out to the major dual-fuel generation owners and found that they are continuing the lessons learned from the 2013/2014 winter. These primarily include topping off their respective fuel oil storage tanks pre-winter, making firm arrangements for fuel oil replenishment as needed, and ensuring that plant equipment has been prepared for winter operations.

The electric utilities have continued to perform well in reducing the electric supply price volatility of their full service residential customers. The utilities have hedged approximately 70 percent of their estimated statewide full service residential energy needs to protect against unexpected electric market price swings that could occur this winter.

The state's major energy utilities — Central Hudson Gas and Electric Corporation, Consolidated Edison of New York, Inc., Corning Natural Gas Corporation, National Fuel Gas Distribution Corporation, National Grid, New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc., PSEG Long Island, Rochester Gas & Electric Corporation, and St. Lawrence Gas Company — expect to have adequate supplies on hand.

The Commission's assessment of natural gas supplies and prices is based on staff's monitoring of utilities' actions to prepare for the winter. Throughout the winter season, staff will monitor issues that could potentially affect the utilities' operations and their customers, such as weather and heating degree day data; storage inventory management; and interstate pipeline operational issues. The Department of Public Service also has a proactive program in place to ensure that customers receive the information and assistance they need this winter. The outreach and education efforts include publications in multiple languages about billing and payment options, financial assistance programs and winter preparedness measures to help with winter bills, and the steps to take if customers are faced with heat-related energy emergency.