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John B. Rhodes, Chair

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## **Winter Electricity and Natural Gas Bills Expected to Remain Flat; Slight Rise Possible for Natural Gas**

**— State Utility Regulator Will Ensure Appropriate Customer Winter Outreach Occurs —**

**ALBANY** — The New York State Public Service Commission (Commission) today announced that the price of electricity this winter is expected to be about the same as last winter on average, while the price of natural gas will move slightly higher. However, based on a normal weather forecast, more moderate weather is expected to counter higher prices and as a result, customers' bills on average should remain the about the same compared to last year.

"The utilities serving New York State have adequate sources and supplies of electricity and natural gas to meet current customer demands even under the most severe conditions this winter," **said Commission Chair John B. Rhodes**. "We will continue to monitor the utilities' ability to meet customer needs, particularly during extreme cold conditions."

The Department of Public Service has a proactive program in place to ensure that customers receive the information and assistance they need this winter. Outreach and education includes 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 a heat-related energy emergency.

This winter's electricity prices statewide are projected to be about the same as last winter, although commodity prices can vary significantly due to weather and other conditions. While gas bill impacts will vary by utility, natural gas bills in general are projected to be roughly the same as last year but still lower than bills in recent years.

The State's investor-owned utilities have continued to reduce the volatility of electric and gas supply prices to their full-service residential customers. The electric utilities have hedged approximately 70 percent of their estimated statewide full service residential electric supply needs to protect against unexpected electric market price swings that could occur this winter. Between financial hedges and gas held in storage, gas utilities have hedged approximately 49 percent of their estimated statewide firm customer needs.

On average, a residential customer using 600 kWh per month is expected to pay about \$39 per month for supply, but the actual amount varies by utility. Meanwhile, the average residential customer using 720 therms of natural gas can expect to pay about \$800 in total November through March, or about the same as last winter, but again, the amount will vary by utility and weather. A colder-than-normal winter will cause usage and bills to increase.

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 in New York City and Long Island to determine if they are continuing to implement the lessons learned from the 2013-14 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.

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; alternate fuel and storage inventory management; and interstate pipeline operational issues.