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John B. Rhodes, Chair

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Summer Electric Prices Expected to Stay Near Historically Low Levels

Peak Demand for Electricity in Summer Continues to Fall Because of REV, Spelling Good News for Residential, Business Consumers and the Environment

ALBANY — The New York State Public Service Commission (Commission) today announced that the cost for electricity supply is expected to remain near historically-low levels this summer. In addition, peak power demand forecasts continue to fall thanks in large part to Governor Andrew M. Cuomo’s Reforming the Energy Vision (REV) strategy. The decline in the amount of electricity consumed during the year helps lower costs for consumers and helps save the environment by reducing air pollution from power plants.

“The summer outlook is great news for residential and business customers,” **said Commission Chair John B. Rhodes.** “Governor Cuomo’s REV initiative to create a cleaner, more resilient, and affordable energy system continues to yield dividends including lower consumer costs; and it is helping to ensure an adequate, reliable electric supply going forward.”

There are many factors that are helping to keep prices down, including Commission-ordered programs to lower demand, requiring utilities to use policies to mitigate volatility in prices, all of which are helping to ensure price stability for consumers.

Governor Cuomo’s Green New Deal seeks to aggressively put New York State on a path to economy-wide carbon neutrality under a strategy to be developed by the Climate Action Council of state, workforce, and environmental justice experts. It would provide for a just transition to a 100 percent clean and carbon-neutral supply of energy by 2040, spurring the growth of the green economy and would be one of the most aggressive goals in the U.S. The cornerstone of this newly proposed mandate is a significant increase of New York’s successful Clean Energy Standard to 70 percent renewable electricity by 2030.

This year’s energy price forecasts are down slightly from last year’s actuals between 1 percent to 3 percent across the State, which means that consumers could potentially see lower supply bills this summer compared to last summer if the weather is comparable. The energy price forecasts are based on current projections from the New York Mercantile Exchange, although actual prices can vary from these forecasts due to a number of unpredictable factors, such as weather and overall demand for electricity. Financial hedging by the State’s regulated utilities will also reduce any price increases this summer and this sound financial planning will also protect against unforeseen and unexpected spikes in supply costs.

There are sufficient generating capacity resources to supply expected customer demands and all of the State’s electric utilities are prepared to serve those expected customer demands. Typically, the forecast for this demand (known as the peak load) has been in the range of 33,300 megawatts (MW),

compared to the winter peak of about 25,000 MW. Peak load this summer is forecast to be 32,382 MW — down slightly from last year. Peak load forecasts continue to fall due to the energy reforms under REV.

In the summer of 2013, New York set an actual record peak load of 33,955 MW. Thanks to REV and other improvements, NYISO's current forecast for 2026 is about 2,000 MW less than its 2016 forecast. A 2,000 MW decrease in peak demand is the equivalent of the electricity generated by several large power plants to supply approximately 1.75 million average-size homes. Reducing the amount of electricity that's consumed on a daily basis and during the hottest days of summer provides significant benefits to consumers and the environment.

Today's report may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 19-E-0254 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.