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Summer Price Forecast Shows Electric Supply Costs Staying Near Historically-Low Levels

**— Under ‘Reforming the Energy Vision’ Peak Energy Demand
Continues to Fall Each Summer —**

ALBANY — Electric supply costs are expected to remain near historically-low levels this summer, according to a price forecast presented today by the staff of the New York State Public Service Commission. Staff also found that good financial planning by utilities will protect against unexpected price spikes during the hottest months this year and that the peak power demand forecasts continue to fall thanks in large part to ongoing energy reforms.

“Thanks in part to the energy reforms now underway in New York, we expect electric supply costs to remain near historic lows this summer, which is good news for consumers,” said the **Commission’s Interim Chairman, Gregg Sayre**. “Under Governor Cuomo’s long-term energy strategy – Reforming the Energy Vision or REV – New York is meeting energy demand more efficiently and at less cost as the initiatives under REV are helping to build a cleaner, more resilient and affordable energy system for all New Yorkers.”

Largely due to a moderate increase expected in natural gas prices, electricity supply costs are expected to be slightly higher in most parts of the state, according to the forecast. New York City is expected to see a \$4.72 increase per megawatt-hour on average this summer compared to last summer (June through September), while in Western New York, the cost is expected to drop by approximately \$2.97 per megawatt-hour. The energy associated with one megawatt is enough electricity to supply between 800 to 1,000 average-sized homes.

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, economic conditions and congestion on the electric grid. Financial hedging by the state’s regulated utilities will also soften 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. This demand (known as the peak load) has generally been in the range of 33,300 megawatts (MW), compared to the winter peak of about 24,000 MW. Peak load this summer is expected to be 33,178 MW – down slightly from last year, which continues to fall due to the energy reforms under REV, Gov. Cuomo’s

strategy to build a cleaner, more resilient and affordable energy system, reduce greenhouse gas emissions and grow New York's economy.

In the summer of 2013, New York set a record peak load of 33,955 MW. Thanks to REV and other improvements, the state's peak load should drop an estimated 1,200 MWs from previous estimates – enough electricity to power more than one million average-sized homes.

About Reforming the Energy Vision:

REV is Governor Andrew M. Cuomo's strategy to lead on climate change and grow New York's economy. REV is building a cleaner, more resilient and affordable energy system for all New Yorkers by stimulating investment in clean technologies like solar, wind, and energy efficiency and generating 50 percent of the state's electricity needs from renewable energy by 2030. Already, REV has driven 730 percent growth in the statewide solar market, enabled over 105,000 low-income households to permanently cut their energy bills with energy efficiency, and created thousands of jobs in manufacturing, engineering, and other clean tech sectors. REV is ensuring New York State reduces statewide greenhouse gas emissions 40 percent by 2030 and achieves the internationally-recognized target of reducing emissions 80 percent by 2050. To learn more about REV, including the Governor's \$5 billion investment in clean energy technology and innovation, please visit www.ny.gov/REV4NY and follow us at @Rev4NY.