

STATE OF NEW YORK

# Public Service Commission

Garry A. Brown, Chairman

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13018/12-M-0192

## **ADDITIONAL COMMENTS SOUGHT ON CENTRAL HUDSON-FORTIS PROPOSED MERGER**

— Joint Proposal Offers Several Conditions —

Albany, NY – 04/02/13 – The New York State Public Service Commission (Commission) today announced it would hold two additional public statement hearings concerning a proposal merger between Central Hudson Gas and Electric Corporation (Central Hudson) and Fortis, Inc.

Under the terms of the Joint Proposal, filed with the Commission on January 28, 2013, the indirect acquisition of Central Hudson by Fortis through the merger of Central Hudson's parent company, CH Energy Group Inc., with a subsidiary of Fortis would be approved subject to a number of conditions. Some of the principal conditions include:

- Financial measures intended to protect the financial integrity and credit standing of Central Hudson.
- A freeze on Central Hudson electric and gas delivery rates through July 1, 2014.
- A guarantee of \$9.25 million in savings to ratepayers over five years.
- Provision of \$35 million to cover expenses that would normally be included in rates, such as storm restoration costs associated with Superstorm Sandy.
- Establishment of a \$5 million Community Benefit Fund for economic development and low income customer assistance programs.
- Continuation of customer service, reliability and safety mechanisms with increased negative revenue adjustments for failure to meet targets.

- Adoption of provisions to ensure that funds provided in rates for planned maintenance and capital improvements are timely expended.
- Establishment of a pilot program to test ideas for economically expanding gas service to new customers.
- Assurance of local representation on the Central Hudson board of directors and a requirement that any proposed relocation of Central Hudson headquarters outside the service territory be approved by the Commission.

The Commission may accept, reject or modify, in whole or in part, the Joint Proposal which was signed by representatives of the Department of Public Service Staff; Central Hudson and its parent company; Fortis and its subsidiaries; the New York State Department of State Utility Intervention Unit; Multiple Intervenors; and others.

### **Public Statement Hearings**

The public will have an opportunity to present their comments at the hearing before an Administrative Law Judge. A verbatim transcript of the hearing will be made for inclusion in the record of the proceeding.

The public statement hearings will be held as follows:

#### **WEDNESDAY, APRIL 17, 2013**

Common Council Chambers  
Municipal Building, 3<sup>rd</sup> Floor  
62 Civic Center Plaza  
(Free parking available in Parking Garage)  
Poughkeepsie, NY 12601  
**7:00 p.m.**

#### **THURSDAY, APRIL 18, 2013**

Council Chambers  
Kingston City Hall  
420 Broadway  
Kingston, NY 12401  
**7:00 p.m.**

It is not necessary to make an appointment in advance or to present written material in order to speak at the public statement hearing. Speakers will be called after completing a card requesting time to speak.

Disabled persons requiring special accommodations may place a collect call to the Department of Public Service's Human Resources Management Office at (518) 474-2520 as soon as possible. TDD users may request a sign language interpreter by placing a call through the New York Relay Service at 711 to reach the Department of Public Service's Human Resource Office at the previously mentioned number. If you have difficulty understanding English, please call the Department at 1-800-342-3377 for free language assistance services regarding this press release.

### **Other Ways to Comment**

**Internet or Mail:** In addition to the formal hearings, comments may be sent electronically to the Acting Secretary, at [secretary@dps.ny.gov](mailto:secretary@dps.ny.gov), or mailed or delivered to Hon. Jeffrey C. Cohen, Acting Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350. Your comments should refer to "Case 12-M-0192 – Central Hudson/Fortis Merger."

**Toll-free Opinion Line:** Comments may also be submitted through the Commission's Opinion Line at 1-800-335-2120. This number is designed to take comments about pending cases from in-state callers, 24 hours a day. Callers should press "1" to leave comments.