

**ECONOMIC DEVELOPMENT & ENERGY COMMITTEE MEETING
HELD IN ROOM #318
PUTNAM COUNTY OFFICE BUILDING
CARMEL, NEW YORK 10512**

Members: Chairman Gouldman, Legislators Jonke & Montgomery

Wednesday

6:30PM

March 23, 2022

The meeting was called to order at 6:31 P.M. by Chairman Gouldman who led in the Pledge of Allegiance. Upon roll call, Legislator Jonke, Legislator Montgomery and Chairman Gouldman were present.

Item #3 - Approval of Minutes – November 22, 2021 Meeting

The minutes were approved as submitted.

**Item #4 - Discussion/Energy Rates/NYSEG Government and Community Relations
Program Manager Dylan Miyoshi**

Chairman Gouldman stated there are four (4) NYSEG representatives here today; Government & Community Relations Program Manager for the Mid-Hudson Region Dylan Miyoshi and Government & Community Relations Eastern Regional Manager Tom Garrity in person, as well as Customer Service Supervisor Ann Lay and Planning & Regulatory Supervisor Brian McNierney via audio webinar. He requested they provide an update and overview of the recent increase in energy costs.

Program Manager Miyoshi thanked Chairman Gouldman for the opportunity to clarify what has been going on with the electric bills. He stated NYSEG understands the struggle of the daily households. He stated customers' electric bills are divided into two (2) parts: Supply and Delivery. He stated the Delivery charge is where NYSEG makes its money, it is a locked in rate that is determined by the PSC (Public Service Commission) and has not changed in 10 months. He stated the issues lie with the Supply charge, which NYSEG does not profit from, as the energy is purchased and sold at the market price.

Regional Manager Garrity reiterated that the Supply charge is market driven. He stated NYSEG is purchasing energy in a competitive market with every other electric company and ESCO (Energy Service Company). He told a story of an ESCO unsubscribing customers because they could not get a competitive rate.

Supervisor McNierney noted that NYSEG is not permitted to offer a fixed price. He stated NYSEG purchase hedges in order to reduce price volatility. He stated they have a very prescriptive methodology for this process. He stated it may end up being higher or lower than the market but reduces the volatility. He spoke about the differences between having a day/night meter and a daily meter.

Regional Manager Garrity noted that the daily rate usually falls between the day and night rates.

Supervisor McNierney stated some customers like the flexibility to shift some of their electric load to the night rate that is typically lower than the daily rate.

Chairman Gouldman requested clarification on the day/night rates.

Regional Manager Garrity stated the night rate occurs from 11:30PM to 7:30AM, which is the lower rate.

Supervisor McNierney noted that NYSEG does not set that rate. He stated energy is bought and sold on an hourly basis and the nighttime hours are generally less expensive.

Legislator Montgomery questioned if Central Hudson has day/night rates as well.

Supervisor McNierney stated he believes all utility companies do.

Legislator Jonke stated he has received a number of phone calls with concerns and social media was filled with complaints when the February bill came out. He questioned when NYSEG became aware that their rates were going to increase and would there have been a better way to prepare the residents of the impending bill increase.

Regional Manager Garrity stated they did attempt to make customers aware. He stated they included information on the rate increases as inserts with bills as far back as November. He stated they also contacted every Town Supervisor in the State to advise them of the increase. He noted they also did postings on social media and sent information via email.

Legislator Jonke suggested a press release in the local papers, as that seems to be effective in spreading awareness. He stated many people were upset to open their bill to find such a large increase.

Regional Manager Garrity stated the people who have electric heat are hit hardest by the increase as it was during the colder months. He stated people must also be mindful of their energy usage.

Legislator Jonke questioned what the factors were that contributed to the increased supply rates.

Regional Manager Garrity stated a big factor was an increase in price of natural gas, as well as Indian Point closing and a cold winter creating more demand.

Supervisor McNierney stated there is more reliance on natural gas. He stated there are natural gas plants that only run during peak loads, and they drive up the price.

Legislator Montgomery questioned if any Towns in Putnam County participate in the CCA (Community Choice Aggregation) Program.

Program Manager Miyoshi stated he knows a couple towns are considering it but have not signed on yet.

Legislator Montgomery stated her town, Philipstown, has Central Hudson and is locked into a much lower rate due to the CCA. She questioned if NYSEG advocates for the CCA.

Regional Manager Garrity stated they do not give an opinion.

Chairman Gouldman questioned when a person can change their energy supplier.

Regional Manager Garrity stated it depends on if there is another supplier as an option.

Legislator Albano stated he has looked into CCA's in the past and there was some reason it would not work, but it is worth exploring.

Regional Manager Garrity stated NYSEG cannot say no to a consumer who is changing energy suppliers.

Chairman Gouldman stated families are being forced to make tough decisions on providing food or paying the electric bill. He questioned if NYSEG doing anything to help customers facing tough times paying the bills.

Program Manager Miyoshi stated they have a variety of options such as budget billing and pointing people towards potential financial assistance if they qualify.

Supervisor Lay stated they are encouraging customers to seek outside assistance as there is a lot of government funding available. She stated NYSEG is also very flexible with payment arrangements. She stated customers can call to set up the payment arrangement.

Chairman Gouldman stated it is good that NYSEG is working with their customers. He stated he is happy to hear that they will not shut off someone's electric due to not paying their bill.

Supervisor Lay stated it is important that the customer reach out to NYSEG and work with them. She stated they will resume disconnecting residential customers in arrears after April 15th.

Legislator Montgomery stated HEAP (Home Energy Assistance Program) could be an important factor in this. She stated people can go through the Department of Social Services or at mybenefits.ny.gov.

Supervisor Lay stated once a customer receives a HEAP grant, they are automatically placed in NYSEG's low-income plan, which gives them a bill reduction every month.

Legislator Montgomery noted that Social Services also has an emergency fund that is available.

Chairman Gouldman questioned what NYSEG foresees for the immediate future.

Regional Manager Garrity stated it is tough to say as it is very volatile right now.

Supervisor McNierney stated they cannot predict where the prices are going to go, but they do try to stabilize the rates. He stated a good price today may not be a good price in the future.

Regional Manager Garrity stated hedging can be a double-edged sword as the prices are market driven.

Legislator Montgomery clarified that the rate increases have nothing to do with NYSEG's capital improvements.

Regional Manager Garrity stated no, it is entirely market driven.

Legislator Albano facilitated discussion regarding the billing process.

Regional Manager Garrity stated due to COVID, there have been new practices, such as increased estimates and meter readers having to travel alone. He stated NYSEG encourages people to send in pictures of their meters to ensure accuracy. He stated that by the end of the year NYSEG will be rolling out smart meters. He stated it will allow NYSEG to be more accurate with billing and will help with power restoration. He stated it will also help customers track their energy usage.

Chairman Gouldman questioned when the Delivery rate will be renegotiated next.

Regional Manager Garrity stated approximately May 1st and will only be a small increase.

Legislator Castellano requested clarification on the estimate process.

Regional Manager Garrity stated normally they try to read meters every other month. He stated the estimations are based on historical data.

Program Manager Miyoshi stated meter readers also serve as wire guards during storms. He stated this is one (1) reason meter readings could be delayed. He noted that people can call in, upload to the app, or send in pictures for accurate meter readings every month.

Legislator Addonizio questioned if there will be a loss in jobs due to the app.

Regional Manager Garrity stated no, as a company, NYSEG utilizes employees in multiple places. He stated everyone has a role during a storm and when there is good weather.

Legislator Sayegh requested clarification on fixing prices.

Supervisor McNierney stated the State does not allow fixed pricing. He stated there used to be an option for fixed or variable pricing.

Legislator Montgomery stated going through a Community Choice Aggregation (CCA) allows the pricing to be fixed.

Regional Manager Garrity stated that is the attraction of CCA.

Chairman Gouldman questioned if any members of the public have questions.

Regional Manager Garrity noted they would be happy to address individual billing questions after the meeting.

Chairman Gouldman questioned if people listen to this meeting afterwards and have questions, who should they reach out to.

Program Manager Miyoshi stated he would leave his card with the Legislators so that they can direct people to him.

Regional Manager Garrity suggested calling the customer service line, so that you can create a billing plan.

Supervisor Lay stated the customer service line is staffed from 7AM to 7PM and they encourage anyone who is looking to set up budget billing or other options to give them a call.

Nancy Bierhoff, Resident of Lake Peekskill, stated she is on the budget plan and thanked the NYSEG representatives for the information they have provided. She questioned how often the budget billing is adjusted to allow customers to prepare.

Supervisor Lay stated NYSEG reviews its budget billing plans every three (3) months. She stated the bills show if a customer is ahead or behind on the actual usage.

Ms. Bierhoff questioned if the winter usage is part of the calculation for budget billing as we are starting to enter the spring and summer.

Supervisor Lay stated there is a whole calculation used to determine the budget billing. She stated past actual usage is looked at.

Ms. Bierhoff stated the Town of Putnam Valley is looking into ESCOs. She stated when she has looked into it, she noticed that customers cannot do budget billing if they are enrolled in an ESCO.

Supervisor Lay stated that is correct. She stated it is up to the customer to set up budget billing through the ESCO.

Ms. Bierhoff thanked the NYSEG representatives for providing answers to her questions.

Legislator Sayegh questioned if electric powered cars put more strain on the electric grid and if that will be a problem moving forward.

Regional Manager Garrity stated it depends on the load of the area and if there will be slow or fast chargers.

Program Manager Miyoshi stated in order to counteract the closure of Indian Point, the State will be transmitting hydro energy from Canada. He stated NYSEG is working closely with the Public

Service Commission and NYSEERDA to ensure that the capacity is there. He noted the emergence of cryptocurrency and the cannabis market also add to the strain.

Supervisor McNierney stated they have to look at when the peak load is for charging vehicles, such as everyone coming home from work and putting their car on charge at 6PM. He stated they may have to formulate different rate structures. He stated utility companies have to keep an eye on the increase in demand.

Judy Allen, Resident of Putnam Valley, questioned if the County can use some of the ARPA (American Rescue Plan Act) funding to install electric vehicle chargers.

Chairman Gouldman stated that is a good idea that can be looked into.

Regional Manager Garrity stated NYSEG has a rebate program.

Chairman Gouldman requested NYSEG send more information on that.

Legislator Montgomery suggested to Ms. Allen to write to the County Executive with her ideas for the ARPA funding.

Item #5 - FYI/Unemployment Report – Duly Noted

Item #6 - Other Business

a. Discussion/Putnam County Industrial Development Agency Board Vacancies/IDA Board Chairman Bill Nulk

IDA Board Chairman Nulk stated the IDA Board has three (3) vacancies and they are looking for volunteers to be part of it. He requested that the Legislators reach out to help find qualified and interested individuals. He stated they are trying to keep a geographic balance with their members.

Legislator Montgomery questioned if the IDA could put advertisements in the paper looking for volunteers.

IDA Board Chairman Nulk stated they will discuss that option at their next meeting.

Item #7 - Adjournment

There being no other business, at 7:23 P.M., Chairman Gouldman made a motion to adjourn; Seconded by Legislator Jonke. All in favor.

Respectfully Submitted by Administrative Assistant, Ed Gordon.