

March 11, 2010

In January, public hearings were held regarding a proposed single year increase of **\$15.2 million (6%) for electric** and **\$4 million (6%) for gas**. This figure was then updated by Central Hudson to reflect a **\$26.3 million (10%) increase for electric** and **\$7.8 million (12%) for gas**.

The rationale for the increase in the proposal was property taxes, declining sales, upgrades, inflation, and labor – costs that anyone doing business must also face. After the public hearings, a negotiated “joint proposal” was submitted, and that proposal is what we are addressing tonight.

The Town of Poughkeepsie opposed the increase in January, and we continue to oppose this new joint proposal. We believe that these rate increases will place undue financial burden on residents, businesses, and local governments, and will discourage development in our region.

An electric increase of **11% over three years** is no more palatable than a **one-time 6% increase** if, in fact, the general public will pay more under the new proposal (estimated at **\$4.42/month** as opposed to **\$3.46/month for the first year**, with a **total increase of \$10.75/month by the third year**). Given the current economic climate, an **annual electric increase of \$53.00** is a burden to residents who are faced with “all the expenses Central Hudson has” as justification for this rate hike.

This rate increase will also create a “domino effect”. The anticipated increase to the Town of Poughkeepsie is approximately **\$54,000.00** in gas and electricity usage for the first year. We are doing everything in our power to curtail costs; however, should this rate increase be approved, it will leave us no option but to pass on these costs to town taxpayers, creating an even greater burden on them

I know that everyone is worrying about the economy and how they are going to pay their bills, stay in their homes, or keep the doors of their businesses open. I think it is reprehensible that the adoption of this proposal provides Central Hudson a “reasonable chance” to make a **7.4% return on its rate base** and a **10% return on their common stocks**.

Their focus, more appropriately, should be on minimizing costs and improving service.

- *Patricia Myers, Town of Poughkeepsie Supervisor*

Please let Central Hudson know what your feelings are on their proposed rate hike. Write, call, or e-mail your thoughts:

**WRITING**

All comments may be addressed to:

**Jaclyn A. Brillig  
Secretary, Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223-1350**

Your comment should refer to **“Cases 09-E-0588 and 09-G-0589 / Central Hudson Rates”**

**TOLL-FREE OPINION LINE**

You may comment through the Commission’s Opinion Line at:

**1-800-335-2120**

This number is set up to take comments about pending cases from in-state callers **24 hours a day**. Callers should select **English** or **Spanish** and **press “1”** to leave comments about the Central Hudson rate proposals.

**INTERNET**

You may also comment using the **PSC Comment Form**. (Many libraries offer free Internet access.) On the homepage of the Commissioner’s consumer website, [www.askPSC.com](http://www.askPSC.com):

- (1) click on **“Contact Us”**
- (2) click on **“Comment Form”**

The Comment Form can also be accessed through the Commission’s other website, [www.dps.state.ny.us](http://www.dps.state.ny.us) as follows: On the homepage,

- (1) click on **“AskPSC.com & Consumer Assistance”**
- (2) click on **“We Want to Know What You Think”**  
under **“PSC Comment Form”**
- (3) click on **“Form”**

All comments using these methods should be submitted, or mailed and postmarked, **no later than March 17, 2010**.