

Central Hudson proposes new rate plan

Plan aims to upgrade aging infrastructure, comply with nation-leading climate law, and meet the needs of a next generation energy grid

Central Hudson today announced its proposal for a new rate plan to the New York Public Service Commission to meet the evolving needs of its customers and comply with New York’s climate law, the Climate Leadership and Community Protection Act (CLCPA). This proposal aims to replace the current rate plan, which will end in June 2024. The plan will provide the necessary resources to upgrade outdated equipment and infrastructure that is past the end of its useful life and ensure continued safe and reliable utility operations and support an evolving workforce and new technology to meet the needs of the 21st century grid.

"We believe that this proposed rate plan is essential to address our infrastructure needs, recover from the impacts of COVID-19, and ensure that we can respond effectively to extreme weather events – which are occurring more frequently," stated Joe Hally, Vice President of Regulatory Affairs for Central Hudson. "By making these necessary investments, we will not only maintain the safety and reliability of our utility operations but also comply with New York State's nation-leading clean energy laws, protect the environment, and improve customer service through the adoption of new technologies."

Plan Calls for Significant Infrastructure Investment

The proposed rate plan will allocate funds to replace aging infrastructure, which is crucial for maintaining safe and reliable utility services for customers. Approximately 75% of infrastructure investments under the proposed plan target infrastructure replacement; in fact, 20% of existing electric infrastructure is beyond its expected useful life. Additionally, Central Hudson will incorporate technologies to facilitate greater interconnection of clean, renewable resources and support the adoption of energy conservation and use of electric vehicles and heat pumps.

The proposal would also allow Central Hudson to allocate additional personnel, resources, and equipment to effectively address severe weather events. The plan emphasizes the implementation of systems to identify and restore power outages more quickly and provide real-time intelligence on grid operations.

"As climate change continues to manifest in the form of severe storms and extreme weather events, Central Hudson recognizes the importance of being well prepared and responsive. The proposed rate plan will enable us to invest in advanced technologies and equipment necessary to enhance our storm preparation and response capabilities," Hally added.

The proposed plan includes a total increase of approximately 16% on the average residential electric bill and approx-

Additional key elements to the plan include:

- **Customer Service Improvements:** Central Hudson plans to upgrade customer service technologies such as the Interactive Voice Response (IVR) system, web and mobile resources. These technological improvements aim to enhance customer service and operational efficiency.
- **Meter Reading:** Central Hudson is preparing for the transition from bimonthly to monthly meter readings.
- **Expanded Assistance Programs:** The proposed rate plan includes provisions to expand access to vital programs that provide financial assistance to qualifying customers.
- **Economic Aftermath of COVID-19:** Resources and services have significantly risen in price, as have the costs of recruiting, hiring and training new employees. Central Hudson aims to grow its workforce by 20% to develop a next generation grid and improve customer service overall.
- **Comply with Nation-Leading Clean Energy Mandates:** The proposed rate plan includes energy efficiency programs and incentives for electric vehicle and heat pump adoption, which will help reduce pollution and greenhouse gas emissions in compliance with CLCPA.

EnergyCentral

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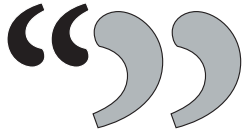
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Rates: New plan filed to meet evolving customer needs

imately 19% on the average natural gas bill. If approved, this would amount to approximately \$1 per day for the typical electric customer and \$1 per day for the typical natural gas customer.

The rate plan proposal will undergo a lengthy review process by the PSC, allowing for active participation from interested parties and public comment. The Commission has the authority to



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JOE HALLY

VICE PRESIDENT OF REGULATORY AFFAIRS

approve, modify, or reject the proposed terms. Throughout the rate case process, Central Hudson will work with the Department of Public Service and interested stakeholders to explore options, such as a multi-year rate plan, that could result in lower annual bill increases. The final approved rate plan will be reflected in the delivery rates for electric and natural gas services on customer's bills commencing on or about July 1, 2024.

Central Hudson emphasizes transparency and invites customers and stakeholders to engage in the ongoing



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dialogue regarding the proposal. The company aims to balance affordability with meeting the evolving needs of customers and New York State.

Once available, Central Hudson's

complete rate proposal filing can be found visiting www.CentralHudson.com/RatePlanProposal, or at the Department of Public Service website: www.dps.ny.gov. ✨