



STATE OF NEW YORK
EXECUTIVE CHAMBER
ALBANY 12224

ANDREW M. CUOMO
GOVERNOR

October 8, 2013

To the PSC Commissioners:

Since taking office, my administration has pushed to keep utility rates as low as possible while maintaining a highly reliable electric system. Superstorm Sandy, and more recently the disruption of service to Metro-North, reinforced the importance of a reliable electric system and the need to hold utilities accountable for their preparedness and response, especially when considering potential rate hikes. For the past several months, the Department of Public Service staff and other parties have been reviewing Con Edison's request to increase electric delivery rates by 8 percent, gas delivery rates by 2.5 percent, and steam delivery rates by 2.3 percent. Based on the submissions of staff and others, it is clear that such rate increases are not warranted, and I urge the Commission to reject the utility's request to increase rates.

As you know, this year's Enacted Budget included new provisions in the Public Service Law to strengthen the oversight and enforcement mechanisms of the Public Service Commission to ensure that major electric and gas utility companies are held accountable and responsive to regulators and customers. Giving real consideration to performance and service to ratepayers is consistent with our goal to make the Commission and Department effective regulators under our strengthened Public Service Law.

According to the U.S. Energy Information Administration, Con Edison customers already pay among the highest electricity rates in the nation, making it essential that the Commission scrutinize any request for further rate increases. New Yorkers need to get more value for the price they pay for utility service, and as part of this case the Commission and staff must also carefully evaluate proposed investments in the system to ensure such investments will benefit consumers. Given the historically low interest rates and the economic and income growth forecasts, such investments can be made without the rate increase requested by the utility. Maintaining stable rates and indeed, lowering rates whenever feasible, is critical to supporting our economic recovery and creating jobs in the region.

I commend the staff at the Department of Public Service for their efforts to fully review and analyze Con Edison's rate request and to find opportunities to stabilize rates for the businesses and residents of New York.

Sincerely,

A blue ink signature of Andrew M. Cuomo, written in a cursive style.

ANDREW M. CUOMO

WE WORK FOR THE PEOPLE
PERFORMANCE ★ INTEGRITY ★ PRIDE