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Rory M. Christian, Chair

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov>

<http://twitter.com/NYS DPS>

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Central Hudson Called to Account for Apparent Billing System Defects

Utility Faces Potential Civil Penalty Action and Financial Review

PSC Orders Central Hudson to Study the Elimination of Bi-Monthly Bill Estimates

ALBANY — The New York State Public Service Commission (Commission) today received the findings of a months long investigation and instituted a proceeding to determine whether the Commission should pursue a civil penalty action against Central Hudson Gas & Electric Corporation (Central Hudson) for apparent failures related to the company’s new customer information and billing system. In addition, the Commission will investigate the propriety of the costs incurred by Central Hudson related to implementation of that system.

“Ensuring customer bills are accurate is the singular responsibility of the utility, and the Department has investigated Central Hudson’s action with the goal of holding them accountable for any billing errors and ensuring their customers are held harmless,” **said Commission Chair Rory M. Christian.** “Given the scope and seriousness of the utility billing problems at Central Hudson, the Department will now determine the level of Commission action required to address these issues.”

The problems with Central Hudson’s billing system became apparent earlier this year when the Commission began to receive a significant number of complaints from the utility’s customers. As a result, Commission staff conducted a six-month investigation into Central Hudson’s actions related to development and deployment of modifications to its customer information and billing system.

After a review of utility documents and interviews of company officials, staff identified several apparent violations of the Public Service Law, regulations, and Commission orders. In addition, staff has reason to believe that the company mismanaged the project and that the costs associated with the project may have been imprudent.

Based upon today’s decision, Central Hudson has 30 days to demonstrate why the Commission should not commence a civil penalty action and/or an administrative penalty proceeding for Central Hudson’s apparent violations of the Public Service Law, regulations, and Commission orders, and why the Commission should not initiate a prudence proceeding to investigate the propriety of costs incurred by Central Hudson related to implementation of the system. The company is also ordered to submit a plan to eliminate bi-monthly estimates and to evaluate potential impacts of such a change on customers.

Central Hudson is a regulated transmission and distribution utility serving approximately 309,000 electric customers and 84,000 natural gas customers in a service territory of New York State's Mid-Hudson River Valley. Central Hudson delivers natural gas and electricity in a service territory that extends from the suburbs of metropolitan New York City north to the Capital Region.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 22-M-0645 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.