

Stakeholders, utility file Joint Proposal

Central Hudson's recently filed Joint Proposal was the result of months of collaboration between the utility and several stakeholders including consumer advocates, environmental groups and local organizations. The following entities signed off on the proposal prior to its filing with the Public Service Commission:

- Multiple Intervenors (representing industrial customers);
- The Public Utility Law Project of New York, Inc.;
- The Utility Intervention Unit of the Department of State Division of Consumer Protection;
- Alliance for a Green Economy;
- Dutchess County;
- New York Power Authority;
- New York Geothermal Energy Organization;
- Family Energy, Inc.;
- Marathon Power LLC;
- M&R Energy Resources Corporation.



PROPOSED AGREEMENT SIGNED FOR 3-YEAR RATE STRUCTURE

Central Hudson moved one step closer to securing a 3-year rate structure that will provide funding for future energy infrastructure investments as well as programs and operations that will stabilize electric rates in the first year with a slight decrease for residential customers, helping to aid in pandemic recovery while supporting efforts to meet New York's climate goals. The proposed agreement was signed and filed by Central Hudson along with the Staff of the New York State Department of Public Service and several parties to the utility's rate proceeding.

"The Joint Proposal was developed after months of extensive discussions

with the Department of Public Service Staff, consumer advocates, environmental organizations, local community groups and other stakeholders for the benefit of customers," said Charles A. Freni, President and C.E.O. of Central Hudson. He explained that the proposal seeks to bolster modernization of the electric, natural gas and information technology systems, reinforce the provision of safe and reliable energy services, enhance the customer experience and mitigate cyber security risks all while accounting for the challenges faced by the COVID-19 pandemic.

SEE RATE CASE ON BACK PAGE

EnergyCentral

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Rate Case: PSC expected to rule on the Proposal this fall

The proposed rate plan covers a three-year period through June 2024 and utilizes existing regulatory balances to reduce billing impacts for customers during the term of the agreement as well as temporarily scaling back infrastructure investments by postponing certain projects to reduce costs.

The Joint Proposal includes:

- A multi-year rate plan, with a slight decrease in electric rates in the first year during the COVID-19 economic recovery;
- Expanded access for income qualified customers into Central Hudson's Energy Affordability Program;
- Mitigating the impact of bill increases through bill credits. Bill impacts are further mitigated by the postponement of several capital investment projects.
- Investments to reinforce electric and gas system reliability and resiliency through storm hardening, expanded vegetation management/tree trimming and deployment of new technologies;
- Advancing Climate and Energy Leadership through expanded energy efficiency programs including rebates and incentives for the purchase of ground and air-sourced electric heat pumps, electric vehicle charging initiatives and system investments aimed at reducing emissions.
- Continuing to invest in emerging technologies and pilot studies in an effort to further reduce greenhouse gas emissions and increase energy efficiency. These efforts include: A geothermal district energy loop study; a streetlight dimming energy efficiency pilot; and additional research into smart city technologies.

The Joint Proposal is a part of the regulatory review process for a new rate plan proposed by Central Hudson in 2020. It was agreed to and signed



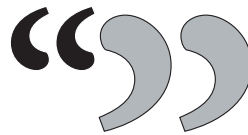
by Central Hudson, the Staff of the Department of Public Service, and several other parties to the case including Multiple Intervenors; the Public Utility Law Project of New York, Inc.; the Utility Intervention Unit of the Department of State, Division of Consumer Protection;

may approve, modify or reject any or all of the proposed terms.

“Recognizing the financial challenges faced by many of our residential and business customers, the proposed three-year plan seeks to provide immediate relief and modest increases once economic recovery is more fully underway,” said Freni.

If approved, total average residential electric bills using 640 kilowatt-hours (kWh) per month would decrease by .25 percent in the first year; increase by 1.3 percent, or \$1.72 per month, during the second year; and 1.4 percent, or approximately \$1.82, in the third year. Total average residential natural gas bill using 870 cubic feet (ccf) per year would increase by 1.2 percent, or about \$1.64 per month, during the first year; 1.6 percent, or about \$2.17 per month, in the second year; and 1.1 percent, or about \$1.50, during the third year. These increases are based upon the market supply prices for electricity and natural gas in July 2021.

“This plan, which has the support of the Staff of the Department of Public Service and many of the parties to these proceedings, would allow Central Hudson to safely and reliably serve our customers by modernizing the energy systems, improving energy efficiency and expanding customer assistance programs,” said Freni. For more information or to view the Joint Proposal, visit www.CentralHudson.com/Empowering-Whats-Next. ✨



Recognizing the financial challenges faced by many of our residential and business customers, the proposed three-year plan seeks to provide immediate relief and modest increases once economic recovery is more fully underway.

CHARLES A. FRENI
PRESIDENT & C.E.O.
CENTRAL HUDSON

Alliance for a Green Economy; Dutchess County; New York Power Authority; New York Geothermal Energy Organization; Family Energy, Inc; Marathon Power LLC; and M&R Energy Resources Corporation. The PSC is expected to rule on the Joint Proposal this fall, and