

BEFORE THE
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

In the Matter of
Central Hudson Gas & Electric Corporation
Cases 09-E-0588 and 09-G-0589
December 2009

Rebuttal Testimony of:

Leonard Silverstein
Utility Consumer Assistance
Specialist
Office of Consumer Services
State of New York
Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

1 Q. Are you the same Leonard Silverstein who
2 submitted prefiled testimony in this proceeding?

3 A. Yes, I am.

4 Q. What is the purpose of your rebuttal testimony
5 in this proceeding?

6 A. The purpose of this rebuttal testimony is to
7 respond to certain portions of the prepared
8 testimony of Gregg C. Collar, of the New York
9 State Consumer Protection Board, regarding the
10 Company's Enhanced Powerful Opportunities
11 Program (EPOP).

12 Q. What is Mr. Collar's proposal regarding EPOP?

13 A. On pages 12-13 of Mr. Collar's testimony, he
14 proposes to increase the size of the program
15 from 1,000 customers to 2,500 customers and
16 increase the program's budget from \$1.3 million
17 to \$3.8 million.

18 Q. What are your comments regarding Mr. Collar's
19 proposal?

20 A. Mr. Collar's proposal would increase
21 expenditures and participation too far, and too
22 fast. The EPOP began on September 1, 2007 and
23 had not been fully enrolled until October 2009.
24 As of October 21, there were only 21 customers

1 on the waiting list for the program, Exhibit
2 __ (LMS-2). It is not necessary to increase the
3 program participation level by 150% at this
4 time. Also, Mr. Collar's proposal does not take
5 attrition into account, which includes customers
6 that successfully complete the program, and
7 customers who do not pay their discounted bills
8 on time. According to the most recent EPOP
9 annual report submitted by the Company, about
10 37% of the EPOP participants were not current on
11 their monthly bills and they may be removed from
12 the program.

13 Q. Do you have an alternative to Mr. Collar's
14 proposal?

15 A. Yes, in a three year rate plan, the EPOP should
16 increase gradually in rate years two and three
17 to allow for increased participation. I propose
18 to increase the number of participants by 100
19 customers in rate year 2 and an additional 100
20 customers in rate year 3.

21 Q. Why do you propose to increase the size of the
22 program gradually?

23 A. I propose to increase the size of the program
24 gradually to help moderate the rate impacts of

1 the low income program. It will also allow the
2 Company a greater opportunity to identify and
3 enroll suitable participants into the program.

4 Q. What is your proposed budget for EPOP?

5 A. By prorating the current EPOP budget for an
6 extra 100 customers, it would cost about an
7 additional \$160,000. Accordingly, I propose to
8 increase the EPOP budget to \$1.73 million in
9 rate year 2 and \$1.89 million in rate year 3.

10 Q. Does this conclude your testimony?

11 A. Yes, at this time.

12

13