

NYSEG and RG&E File ‘Powering NY’ Plan with Public Service Commission to Invest in Grid Infrastructure, Cover Legacy Costs, and Comply with State Requirements

Filing is in response to residents’, businesses’, and state leaders’ requests for expansion of electrical grid and to comply with state energy requirements

Filing proposal commences process of review by and discussion with Dept. of Public Service Staff and multiple third parties

Proposal will add 1,100 jobs in NYS

BINGHAMTON, N.Y. — July 1, 2025 — New York State Electric & Gas (NYSEG) and Rochester Gas and Electric (RG&E), subsidiaries of Avangrid, Inc., announced they have filed proposed changes to delivery rates with the New York State Department of Public Service (DPS). Their Powering New York plan outlines a proposal for each company that is designed to pay for rebuilding an aging grid and expanding its capacity to meet residents’ and businesses’ service demands. The filing also outlines the funds needed to address legacy costs and comply with current and new state requirements. The filing proposal will undergo a comprehensive review by the DPS staff and multiple third parties; the Companies will pursue a settlement with the DPS and parties, which will determine the rate impact for customers once approved by the Public Service Commission. The investments included in this plan reflect the priorities and requests made to the Companies from elected officials, businesses, community-based organizations, and other key stakeholders.

“Our Powering New York plan brings together the competing demands of state and legacy cost drivers, like storm restoration costs and the massive arrears that built up during and after the pandemic, while also supporting economic development through new jobs and grid improvement to attract and retain businesses,” said NYSEG and RG&E CEO Patricia Nilsen. “Our customers deserve a modern, resilient grid and top-notch customer service, and this plan enables us to continue our forward momentum.”

With thousands of miles of wire, aging substations, and utility poles over 40 years old throughout their service area, NYSEG and RG&E’s plan will modernize infrastructure so that customers see improved reliability, efficiency, and resiliency in an era of more extreme weather, while also increasing capacity

to serve new business and economic growth. This modernization was begun with the Companies' 2023 rate plan, but there's more work to be done. Up to 40 percent of the total filing accounts for legacy costs not provided for in prior rate plans, such as storm recovery, which now averages \$200 million a year, state mandates like new utility poles to support broadband internet upgrades, grid modernization to meet New York's climate goals, and the rising cost of arrears across both Companies. NYSEG and RG&E must recoup these legacy expenditures to create a grid that can power Upstate New York into the future.

"The Powering NY plan provides the resources the experienced women and men of IBEW Local 10 need to upgrade the grid for the demands of New York's energy future and offer the service our customers deserve," said **International Brotherhood of Electrical Workers Local 10 Business Manager and Financial Secretary Roman Cefali**. "Modernizing our aging infrastructure and updating our customer systems are vital to providing the level of service our customers expect."

Dan Curran, business manager, president, and financial secretary of the International Brotherhood of Electrical Workers Local 36 said, "We have made tremendous progress in the last three years thanks to the men and woman of IBEW Local 36, but we can't stop now. In order to deliver a modern, resilient grid and enhanced service that our customers deserve, our workforce needs the resources to upgrade aging infrastructure and invest in top-notch systems to serve them. The Powering NY plan provides the funds required to achieve these goals."

"NYSEG and RG&E are critical partners in the economic development ecosystem at the local, county, regional, and state level. Providing affordable and reliable energy is necessary to provide economic opportunity and an increased quality of life," said **Ryan Silva, executive director, New York State Economic Development Council**. "Their commitment to infrastructure investments and new technology deployment has made tremendous progress across New York State, yet more work needs to be done to meet our economic and climate goals. The Powering NY Plan builds off their previous work and will help to better serve the future of New York, and the NYSEDC fully supports it."

Ken Pokalsky, vice president of The Business Council of New York State said, "Upstate New York is seeing a number of major investments in new and expanding businesses and needs to assure it has a strong foundation for future economic growth. This includes investing in an energy system that can keep up with the demand new development will bring, assuring reliable and competitively electric and natural gas service. The Powering NY plan will grant NYSEG and RG&E the resources they need to upgrade their infrastructure and invest in a grid that can support the business that fuels our economy."

"Reliable energy infrastructure is among the best selling points that we have for attracting new businesses and encouraging growth among the Southern Tier's leading employers," said **Stacey Duncan, executive director of The Agency and president and CEO of the Greater Binghamton Chamber of Commerce**. "The investments outlined in the Powering NY plan are critical not only for maintaining, but for upgrading our energy system so it can enable a brighter, more economically secure future for people across Broome County and upstate New York."

The Powering NY filing also includes covering the costs of current and new required charges that are passed down to customers and make up approximately 22% of customer bills. These include: targeting

storm restoration within 72 hours, customer support programs, Make Ready upgrades for statewide broadband, state climate goals, and new in-state call center and prevailing wage laws.

Powering NY will also improve the customer experience. The Companies will invest in better billing systems and digital tools to make it easier for customers to track their energy use, understand their bill, and manage their accounts.

Taken together, this plan calls for the hiring of 570 full-time employees to support NYSEG and RG&E's expanded investments across its electric and gas businesses. The companies also seek to hire an additional 539 full time employees to comply with New York's new Call Center Law, for a total of 1,100 new hires across the Companies' service area.

To create price stability for customers and to allow the Companies to continue making the long-term grid investments needed to improve reliability, NYSEG and RG&E have proposed dividing the cost of this plan over a five-year period. A five-year investment plan also helps avoid supply chain disruptions and equipment shortages, especially for long-lead time items like transformers, by allowing for early procurement, better forecasting, and stronger supplier partnerships.

The key investments of the five-year plan include:

- **Reliability and resilience.** In the last few years, severe storms knocked out power to hundreds of thousands of homes in our region. Under Powering NY, NYSEG and RG&E would invest billions in grid investments over a five-year period – updating critical infrastructure to reduce outages, speed up repairs, and keep power on when it matters most for millions of New Yorkers. It also continues investment in smart meter technology to enable enhanced outage alerts for customers and includes funding to increase capacity for the steady growth of energy demand in the state.
- **Customer Service.** Customers want to know that the information in their bill is accurate and that a dedicated team is available to offer support when they need it. The Companies propose hundreds of millions of dollars in investments to improve customer service, including our call centers, billing system, and digital tools. In addition, consistent with Commission policy, \$413 million will be invested to provide financial assistance to low-income customers.
- **Vegetation Management.** Half of all power outages are caused by trees or limbs falling on wires. This plan will allow NYSEG and RG&E to continue existing trimming efforts and enhance trimming along electric transmission and distribution corridors, with \$525 million dedicated to reducing this leading cause of outages.

Spreading the plan out over multiple years benefits customers, as it allows NYSEG and RG&E to make critical investments will minimize the delivery charge increases each year. While electric and gas bills in New York include the cost of energy supply, which the Companies do not control nor profit from, as well as required government charges and taxes, Powering NY increases will apply only to the delivery portion of bills – approximately a third of total monthly energy costs for most customers.

The PSC will make a final determination on Powering NY in 2026, after a process of discovery, testimony, settlement negotiations, and a possible multi-year agreement. The ability of NYSEG and

RG&E to meet state mandates, cover legacy costs, and ultimately modernize the grid to provide safe and reliable service to their millions of customers will be determined by that outcome.

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About NYSEG: New York State Electric & Gas Corporation (NYSEG) is a subsidiary of Avangrid, Inc. Established in 1852, NYSEG operates approximately 35,000 miles of electric distribution lines and 4,500 miles of electric transmission lines across more than 40% of upstate New York. It also operates more than 8,150 miles of natural gas distribution pipelines and 20 miles of gas transmission pipelines. It serves approximately 894,000 electricity customers and 266,000 natural gas customers. For more information, visit www.nyseg.com.

About RG&E: Rochester Gas and Electric Corporation (RG&E) is a subsidiary of Avangrid, Inc. Established in 1848, RG&E operates approximately 8,800 miles of electric distribution lines and 1,100 miles of electric transmission lines. It also operates approximately 10,600 miles of natural gas distribution pipelines and 105 miles of gas transmission pipelines. It serves approximately 378,500 electricity customers and 313,000 natural gas customers in a nine-county region in New York surrounding the City of Rochester. For more information, visit www.rge.com.

About Avangrid: Avangrid, Inc. is a leading energy company in the United States working to meet the growing demand for energy for homes and businesses across the nation through service, innovation, and continued investments by expanding grid infrastructure and energy generation projects. Avangrid has offices in Connecticut, New York, Massachusetts, Maine and Oregon, including operations in 23 states with approximately \$47 billion in assets, and has two primary lines of business: networks and power. Through its networks business, Avangrid owns and operates eight electric and natural gas utilities, serving more than 3.3 million customers in New York and New England and in 2024. Through its power generation business, Avangrid owns and operates more than 75 energy generation facilities across the United States producing 10.5 GW of power for over 3.1 million customers. Avangrid employs approximately 8,000 people and has been recognized by JUST Capital as one of the JUST 100 companies – a ranking of America's best corporate citizens in 2025 for the fifth consecutive year. The company was named among the World's Most Ethical Companies in 2025 for the seventh consecutive year by the Ethisphere Institute. Avangrid is a member of the group of companies controlled by Iberdrola, S.A. For more information, visit <http://www.avangrid.com>.



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