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November 28, 2012

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NEW HAMPSHIRE'S CONSUMER ADVOCATE JOINS PROTEST OVER ISO NEW ENGLAND RATE INCREASES

State agencies from Maine, New Hampshire, Rhode Island, and Connecticut today filed a protest with the Federal Energy Regulatory Commission (FERC) against ISO New England Inc.'s (ISO-NE's) proposal to increase its budget, paid for by electric customers, by nearly 10 percent. The petition asks FERC to reform its review process to allow state analysis of the ISO-NE's budget request.

ISO-NE operates New England's regional transmission grid and electricity markets. Currently, no New England public utility commission has any formal oversight role regarding ISO-NE's budget, even though ISO-NE is funded directly and indirectly by New England ratepayers.

"The ratepayers who pay ISO-NE's expenses must have a meaningful opportunity to review ISO-NE's annual budgets," said Susan W. Chamberlin, New Hampshire Consumer Advocate for residential ratepayers. "With so many pressures on today's consumers, every agency must do its part to keep electric rates low."

In 1997, ISO-NE's operating budget was \$28 million, and it employed 180 full-time employees (FTEs). For 2013, ISO-NE requests approximately \$165 million for its operating budget, \$14 million more than its 2012 budget of \$151 million, with funding for 563 FTEs. Over the past four years, ISO-NE has increased its budget by 34%.

ISO-NE already employs 40% more employees than all of the public utility commissions in New England combined. In its filing with FERC, ISO-NE seeks funding to increase its full-time employees (FTEs) by an additional 39 employees, for a total of 563 employees. If approved, ISO-NE will have increased its funded full-time positions by 100 positions just in the past five years.

"More than 80% of ISO-NE's budget goes to staff and outside professional services. In 2012, 275 of the 524 ISO-NE FTEs were paid more than \$100,000.00 annually as base pay, and received average yearly pay increases of 3% for the past 7 years, and employees last year received an average yearly merit bonus of 9% per employee," Elin Swanson Katz, Connecticut Consumer Counsel, noted. "We are asking FERC to conduct a hearing so we can examine whether the number of staff and how they are compensated is reasonable. It is only fair in these tough economic times that we keep a close watch on the bottom line, as these costs are ultimately borne by ratepayers in Connecticut and throughout New England."

With its 2013 budget proposal, ISO-NE seeks to increase rates directly charged to New England rate payers by 25.3%, and increase rates indirectly paid by New England rate payers from 5.8% to 1440% higher.

A copy of the filed protest may be seen at [ISO Budget Protest FINAL.PDF](#). Public comments on ISO-NE's 2013 rate increase must be filed with the FERC by November 30, 2012. FERC will then decide whether to hold a hearing or simply allow the rate increase to go into effect for January 1, 2013.

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The OCA is an independent state agency representing the interests of New Hampshire's residential regulated utility ratepayers. To contact the OCA call 603-271-1172, email us oca@oca.nh.gov, or check our website at www.oca.nh.gov.