

1 STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

2

3

4 Case 07-M-0906 - Joint Petition of Iberdrola, S. A.,
5 Energy East Corporation, RGS Energy Group, Inc., Green
6 Acquisition Capital, Inc., New York State Electric & Gas
Corporation and Rochester Gas and Electric Corporation
for Approval of the Acquisition of Energy East
Corporation by Iberdrola, S. A.

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

Public Statement Hearing
Putnam County Training and
Operations Building
112 Old Route 6
Carmel, New York

Tuesday, February 19, 2008
1:00 p.m.

PRESIDING:

RAFAEL A. EPSTEIN,
Administrative Law Judge

1

JUDGE EPSTEIN: I call case 07-M-0916. This

2 is a matter of the application of Iberdrola and Energy
3 East Corporation and the Energy East subsidiaries, NYSEG
4 and RG&E, as to whether Iberdrola should be allowed to
5 acquire the stock and the assets of Energy East.

6 My name is Rafael Epstein. I am the
7 Administrative Law Judge whom the Commission has
8 assigned to hear this case, and we are holding these
9 hearings all over the state. We are trying to cover all
10 the spots that would be convenient for customers of
11 NYSEG and RG&E.

12 This is a case where the next step is going
13 to be evidentiary hearings up in Albany unless the
14 parties decide to negotiate the case instead and put off
15 the hearings.

16 The evidentiary hearings are like a trial,
17 where witnesses who have already prefiled their
18 testimony appear and get cross-examined on their
19 testimony and exhibits. And today what we have here is
20 a non-evidentiary hearing. It's a public statement
21 hearing. And the Commission does this because many
22 times there are people who don't want to appear as
23 witnesses and get cross-examined.

24 On the other hand, they are not necessarily

C3

1 satisfied with just sending the Commission a letter or
2 an e-mail, and so this is an opportunity for people to
3 come out and speak their minds about it and have their
4 comments transcribed by the reporter here, and then
5 whatever she transcribes at these meetings will become

6 part of the record before the Commission.

7 And the content of the public's remarks will
8 be reported to the Commission in the process of the
9 Commission arriving at its decision whether to approve
10 or deny this merger proposal.

11 So, I can talk more or answer questions about
12 the procedures here. I can't really say anything about
13 the merits of the case one way or the other because I am
14 going to be making a recommendation to the Commission
15 based on the evidence that I hear at the evidentiary
16 hearings, plus what I hear today.

17 At this point one person has signed up to
18 make a statement and that would be Mr. Reichert.

19 MR. REICHERT: I live in Mahopac, New York.
20 I have had NYSEG for over 64 years at my house. No
21 complaints about them at all. I'm also a stockholder
22 and against this takeover.

23 It's not a merger. It's a takeover. I
24 dislike foreign companies taking utilities over. They

C4

1 took Niagara Mohawk, Eastern Utilities, KeySpan.

2 I bought stock for retirement and live on the
3 dividends. All of a sudden it's going to be wiped away
4 from me and I don't think it's right. I just disapprove
5 of it. That's all.

6 JUDGE EPSTEIN: Thank you very much. Since
7 there are no other speakers at this time we will go off
8 the record. If people want to talk to me until the next

9 speaker, if any, comes along that would be fine, we can
10 do that informally, or just gather in silence. See what
11 comes to pass.

12 As a general practice we keep these hearings
13 open for a minimum of one hour in case somebody comes
14 along a little later not expecting they had to be here
15 at the very beginning.

16 (Recess)

17 JUDGE EPSTEIN: I will indicate we have been
18 in session for a little more than an hour, and there
19 being no other persons who are going to make a
20 statement, this hearing is adjourned and we will
21 reconvene this evening in Binghamton.

22 (Public Statement Hearing adjourned.)

23

24