

Schumer seeks promises from power company

WASHINGTON — U.S. Sen. Charles Schumer sought assurances Thursday that a Spanish firm's planned purchase of an upstate power company won't jack up bills for customers.

Iberdrola SA is trying to win state regulators' approval for a \$4.6 billion acquisition of the regional utility Energy East Corp. The deal would affect 3 million customers from upstate New York to Maine and would put Rochester Electric and Gas Corp. and New York State Electric & Gas Corp. under foreign ownership.

Schumer said he was worried customers in New York might face higher bills and service problems akin to those that followed the 2002 acquisition of Syracuse-based Niagara Mohawk Corp. by the British firm National Grid.

The state's Public Service Commission is still weighing whether to approve the Iberdrola deal.

Schumer wants the company to create a separate fund to protect customers from price spikes, a fund he said could hold hundreds of millions of dollars and could be tapped when fuel prices rise.

The senator said any sale should also come with penalties for the company if it fails to meet service standards, an increase in wind power development, and a pledge to rebuild a coal-burning power station in the Rochester area as a cleaner, natural gas plant.

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