

6024

2015-2016 Regular Sessions

I N S E N A T E

August 3, 2015

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the public service law, in relation to providing a program to extend natural gas delivery to unserved or underserved areas

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. The public service law is amended by adding a new section
2 65-c to read as follows:
3 S 65-C. EXTENDING NATURAL GAS DELIVERIES TO UNSERVED AND UNDERSERVED
4 AREAS. 1. PETITION. NO LATER THAN JANUARY FIRST, TWO THOUSAND SIXTEEN,
5 OR SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, WHICHEVER IS
6 LATER, EACH NATURAL GAS DISTRIBUTION COMPANY SHALL FILE A PETITION WITH
7 THE COMMISSIONER PROPOSING A PILOT OR PERMANENT PROGRAM, INCLUDING ANY
8 NECESSARY TARIFFS, TO EXTEND NATURAL GAS DISTRIBUTION SERVICE FOR
9 END-USERS TO UNSERVED OR UNDERSERVED AREAS WITHIN ITS CERTIFICATED
10 SERVICE TERRITORY.
11 2. PROGRAM REQUIREMENTS. A PROPOSED PROGRAM SHALL INCLUDE:
12 (A) A PROCESS FOR MANAGING AND PRIORITIZING CUSTOMER REQUESTS FROM
13 END-USERS FOR EXTENSIONS OF THE NATURAL GAS DISTRIBUTION SYSTEM;
14 (B) A COST-BENEFIT ANALYSIS TO DETERMINE IF A CUSTOMER CONTRIBUTION IS
15 REQUIRED;
16 (C) A METHOD FOR DETERMINING THE AMOUNT OF A REQUIRED CUSTOMER
17 CONTRIBUTION IN AID OF CONSTRUCTION;
18 (D) A PROGRAM TO ENHANCE THE AFFORDABILITY OF REQUIRED CONTRIBUTIONS
19 IN AID OF CONSTRUCTION TO CUSTOMERS, INCLUDING THE FOLLOWING PROVISIONS:
20 (I) THE PROGRAM SHALL PROVIDE FOR ON-BILL FINANCING FOR A TERM OF NO
21 LESS THAN FIVE YEARS;
22 (II) A CUSTOMER SHALL BE ABLE TO PAY A REQUIRED CUSTOMER CONTRIBUTION
23 IN FULL AT ANY TIME, WITHOUT INCURRING PENALTIES OR FEES; AND

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [] is old law to be omitted.

LBD11599-02-5

1 (III) THE FORM OF FINANCING MAY INCLUDE A SURCHARGE, THIRD-PARTY
2 FINANCING OR ANY OTHER METHOD OF RECOVERY APPROVED BY THE COMMISSION;

3 (E) A PROVISION OUTLINING WHETHER AND HOW REFUNDS OR CREDITS WILL BE
4 PROVIDED TO CUSTOMERS AS OTHER CUSTOMERS RECEIVE SERVICE FROM A
5 COMPLETED DISTRIBUTION SYSTEM EXTENSION PROJECT;

6 (F) A PROVISION ADDRESSING THE TREATMENT AND ELIGIBILITY OF CUSTOMERS
7 PARTICIPATING IN A CUSTOMER ASSISTANCE PROGRAM WHO REQUEST AND RECEIVE
8 SERVICE FROM A DISTRIBUTION SYSTEM EXTENSION PROJECT;

9 (G) A PROVISION ADDRESSING SITUATIONS WHERE A CUSTOMER FAILS TO PAY A
10 REQUIRED SURCHARGE OR OTHER ON-BILL FINANCING MECHANISM;

11 (H) A CUSTOMER'S NATURAL GAS DISTRIBUTION SERVICE SHALL NOT BE TERMI-
12 NATED SOLELY FOR NONPAYMENT OF A SURCHARGE OR OTHER ON-BILL FINANCING
13 MECHANISM; AND

14 (I) ANY OTHER PROVISIONS THAT WILL PROMOTE ECONOMIC DISTRIBUTION
15 SYSTEM EXTENSION TO END-USERS IN UNSERVED AND UNDERSERVED AREAS IN A
16 MANNER THAT IS AFFORDABLE TO CUSTOMERS.

17 3. COMMISSION REVIEW. THE COMMISSION:

18 (A) SHALL REVIEW A PETITION FILED PURSUANT TO SUBDIVISION ONE OF THIS
19 SECTION, AFTER PROVIDING NOTICE AND AN OPPORTUNITY TO BE HEARD AND MAY
20 APPROVE, DISAPPROVE OR MODIFY THE FILING PURSUANT TO ITS PROCEDURAL
21 RULES;

22 (B) MAY ESTABLISH PERIODIC REPORTING REQUIREMENTS TO REVIEW THE
23 PERFORMANCE AND EFFECTIVENESS OF A PROGRAM; AND

24 (C) SHALL NOT REQUIRE A NATURAL GAS DISTRIBUTION COMPANY TO EXTEND ITS
25 DISTRIBUTION SYSTEM TO ANY AREA OR CUSTOMER THAT DOES NOT PROVIDE THE
26 OPPORTUNITY TO EARN A REASONABLE RETURN ON INVESTMENT.

27 S 2. This act shall take effect on the sixtieth day after it shall
28 have become a law.