

# STATE OF NEW YORK

10491

## IN ASSEMBLY

April 30, 2018

Introduced by M. of A. WALLACE -- read once and referred to the Committee on Consumer Affairs and Protection

AN ACT to amend the public service law, in relation to unauthorized changes in suppliers of natural gas and electric service

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 § 65-c. Gas and electric service; changes in providers. 1. Definitions. As used in this section, the following terms shall have the  
4 following meanings:

5 (a) "hold order or freeze" shall mean a directive to retain the  
6 supplier of gas or electric service; and

7 (b) "supplier of gas or electric service" shall mean and include any  
8 person, firm or corporation that offers, sells or delivers all or part  
9 of natural gas or electric service, including, but not limited to, a gas  
10 or electric distribution company, a gas or electric corporation, a gas  
11 or electricity provider, marketer, aggregator or broker.

12 2. Unauthorized changes in natural gas or electric service prohibited.  
13 No supplier of gas or electric service or any person, firm or corpo-  
14 ration acting as such supplier's agent or representative shall on behalf  
15 of a customer make or direct any change in a supplier of gas or electric  
16 service unless such supplier, agent or representative complies with  
17 authorization and confirmation procedures established by the commission.  
18 In construing and enforcing the provisions of this section, the act of  
19 any person, firm or corporation acting as an agent or representative of  
20 a supplier of gas or electric service shall be deemed to be the act of  
21 such supplier of gas or electric service.

22 3. Rules and regulations. The commission shall have the authority to  
23 establish rules and regulations relating to unauthorized changes in  
24 suppliers of gas or electric service, which, among other requirements,  
25 establish procedures for a customer to confirm a change in a supplier of  
26 gas or electric service made by another gas or electric service supplier  
27

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

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1 on behalf of the customer and set forth methods for enforcing such rules  
2 and regulations.

3 4. Hold order or freeze. The commission may, if it determines it to be  
4 necessary, require any gas or electric corporation that owns or operates  
5 the transmission lines that control routing, selection, or billing func-  
6 tions necessary to implement a hold order or freeze to offer it to end-  
7 use customers as a method of reducing incidents of unauthorized changes  
8 in suppliers of gas or electric service. Such corporation shall perform  
9 any hold order or freeze procedure in a non-discriminatory and competi-  
10 tively neutral manner that does not give such corporation an advantage  
11 over its competitors in the gas or electric service market.

12 5. Billing information. When a customer or a new supplier of gas or  
13 electric service on behalf of a customer makes a change in a supplier of  
14 gas or electric service, the new provider of gas or electric service  
15 shall be responsible for insertion of a conspicuous notice on or with  
16 the customer's first bill for which the change is effective or shall  
17 send a separate notice within sixty days informing the customer that  
18 such change was made. Any bill shall contain the name of each provider  
19 of gas or electric service for which billing is provided.

20 6. Penalties. A violation of the provisions of this section is subject  
21 either to the judicial penalty authorized in section twenty-five of this  
22 chapter for the failure or neglect to obey or comply with a provision of  
23 this chapter or the administrative penalty established in this section.  
24 In seeking such judicial penalty or assessing such administrative penal-  
25 ty, the commission shall consider the nature, circumstances, extent,  
26 gravity and number of the violations, and with respect to the violator,  
27 the degree of culpability, any history of prior offenses and repeated  
28 violations, and such other matters as may be appropriate and relevant.  
29 The remedies provided by this section are in addition to any other reme-  
30 dies provided in law.

31 7. Enforcement. The commission, after opportunity for a hearing, shall  
32 have the authority to assess directly an administrative penalty against  
33 any supplier of gas or electric service for each violation of the  
34 provisions of this section or order of the commission implementing or  
35 enforcing the provisions of this section. Such penalty shall not exceed  
36 one thousand dollars for each violation associated with each meter  
37 service point. All moneys recovered from any administrative penalty  
38 shall be paid into the state treasury to the credit of the general fund.

39 8. Proceedings. Whenever the commission determines that any supplier  
40 of gas or electric service is violating or about to violate any  
41 provision of this section or any regulation or order of the commission  
42 implementing or enforcing the provisions of this section, or has failed  
43 to pay any penalty assessed pursuant to the provisions of this section,  
44 the commissioner shall have power to bring an action or enforcement  
45 proceeding as provided by section twenty-six of this chapter.

46 § 2. This act shall take effect on the one hundred twentieth day after  
47 it shall have become a law; provided, however, that effective immediate-  
48 ly, the addition, amendment and/or repeal of any rule or regulation  
49 necessary for the implementation of this act on its effective date are  
50 authorized and directed to be made and completed on or before such  
51 effective date.