

STATE OF NEW YORK

6741

2017-2018 Regular Sessions

IN SENATE

June 15, 2017

Introduced by Sens. KRUEGER, HAMILTON, PARKER -- 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 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. Defi-
4 nitions. As used in this section, the following terms shall have the
5 following meanings:

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

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

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

23 3. Rules and regulations. The commission shall have the authority to
24 establish rules and regulations relating to unauthorized changes in
25 suppliers of gas or electric service, which, among other requirements,

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

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1 establish procedures for a customer to confirm a change in a supplier of
2 gas or electric service made by another gas or electric service supplier
3 on behalf of the customer and set forth methods for enforcing such rules
4 and regulations.

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

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

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

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

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

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