

STATE OF NEW YORK

2711--A

2023-2024 Regular Sessions

IN SENATE

January 24, 2023

Introduced by Sens. PARKER, COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- recommitted to the Committee on Energy and Telecommunications in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, in relation to the establishment of reduced residential rates for electric and natural gas service to low-income customers

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 65 of the public service law is amended by adding a new subdivision 17 to read as follows:

17. Reduced residential rates for electric and natural gas service to low-income customers. (a) Electric and gas corporations shall establish and continue reduced rate schedules for low-income electric and natural gas customers. The average effective rate reduction shall not be less than twenty-five percent or more than thirty-five percent of the revenues that would have been produced for the same billed usage by other residential customers receiving full service from the utility who are not eligible for the reduced rate.

(b) Reduced residential rates for electric and natural gas service shall be established for any customer who receives benefits from the supplemental security income program for the aged or disabled or other persons, the temporary assistance to needy families program, safety net assistance, the supplemental nutrition assistance program, medical assistance, the home energy assistance program, the telephone lifeline assistance program, and any other additional assistance program or income standard approved by the commission.

(c) Providers of electric and natural gas service shall cooperate with the commission and social services districts and other agencies to

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

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1 certify and recertify customer eligibility through privacy protected
2 data exchanges approved by the commission to achieve efficient enroll-
3 ment of eligible customers.

4 (d) Providers of electric and natural gas service shall strive to
5 provide reduced residential rates to all customers eligible for them,
6 and shall provide application forms for reduced rates to eligible low-
7 income customers on their websites, at their offices, and by other
8 means. Information regarding the availability and eligibility standards
9 for reduced rates shall be provided to residential customers at the time
10 of service initiation, in bill inserts, in communications to customers
11 in arrears, and by other means required or approved by the commission.

12 (e) The incremental revenue effects of enhancement to low-income rate
13 programs under this section shall be deferred for subsequent rate making
14 treatment and approval by the commission. The revenue impact of such
15 rate reduction shall be mitigated by (i) applying any earnings of the
16 utility above the allowed return on equity set in the most recent rate
17 case, (ii) disallowing any premium above the rate of return allowed for
18 not filing a rate case or for sharing of overearnings, (iii) utilizing
19 any uncommitted funds available from current surcharges allowed by the
20 commission and not expressly authorized by statute, (iv) disallowing
21 recovery from ratepayers of any costs of executive compensation bonuses.
22 After such mitigation measures, and other mitigation measures which the
23 commission may approve, any shift of revenue responsibility to other
24 customers due to the revenue effects of low-income rates shall not be
25 borne solely by any single class of customer.

26 § 2. The public service law is amended by adding a new section 66-w to
27 read as follows:

28 § 66-w. Reduced residential rates for electric and natural gas service
29 to low-income customers. 1. The commission shall require electric and
30 natural gas corporations to establish and continue programs of rate
31 reduction and other assistance to low-income residential electric and
32 natural gas customers, the revenue impact of which shall not be borne
33 solely by any single class of customer. The commission shall ensure
34 appropriate levels of rate reduction for low-income electric and natural
35 gas customers to mitigate hardship, which shall not be less than twenty-
36 five percent or more than thirty-five percent of the revenues that
37 would have been produced for the same billed usage by other residential
38 customers receiving full service from the utility who are not eligible
39 for the reduced rate. In establishing the appropriate percentage
40 reduction the commission shall ensure to the extent feasible that low-
41 income ratepayers are not jeopardized or overburdened by rates for elec-
42 tric and natural gas service.

43 2. The commission shall establish customer income and categorical
44 eligibility standards for reduced rates, which shall include, without
45 limitation, any customers who receive benefits from the supplemental
46 security income program for the aged or disabled or other persons, the
47 temporary assistance to needy families program, safety net assistance,
48 the supplemental nutrition assistance program, medical assistance, the
49 home energy assistance program, and the telephone lifeline assistance
50 program.

51 3. The commission shall promote full penetration of the reduced rate
52 assistance to all eligible customers through privacy protected data
53 exchanges with agencies providing assistance to categorically eligible
54 customers to achieve efficient enrollment, certification, and periodic
55 recertification of eligibility.

1 4. The commission shall require providers of electric and natural gas
2 service to provide information and application forms for reduced rates
3 to eligible low-income customers on their websites, at their offices,
4 and by other means, and to provide information regarding the availabili-
5 ty and eligibility standards for reduced rates to residential customers
6 at the time of service initiation, in bill inserts, in communications
7 with customers in arrears, and by other means required or approved by
8 the commission.

9 5. The commission shall require electric and natural gas corporations
10 to establish reduced rates pursuant to this section to be effective no
11 later than January first, two thousand twenty-six, and to file periodic
12 reports at least annually regarding the number of eligible customers
13 receiving reduced rates, utility efforts to provide reduced residential
14 rates to all customers eligible for them, and other information deemed
15 necessary or appropriate by the commission for the efficient adminis-
16 tration of the reduced rates.

17 6. The commission shall require that the incremental revenue effects
18 of enhancement to low-income rate programs under this section be
19 deferred for subsequent rate making treatment. The incremental revenue
20 impact of such rate reductions shall be mitigated by:

21 (a) applying any earnings of the utility above the allowed return on
22 equity set in the most recent rate case, pursuant to subdivision twenty
23 of section sixty-six of this article;

24 (b) disallowing any rate of return premium for not filing a rate case
25 or for sharing of overearnings after rates are set;

26 (c) utilizing any uncommitted revenues from surcharges allowed by the
27 commission but not expressly authorized by statute; and

28 (d) disallowing executive compensation or bonuses not essential to the
29 provision of safe and adequate service.

30 After applying revenues from such sources, and other mitigation meas-
31 ures which the commission may approve, any shift of revenue responsibil-
32 ity to other customers due to the revenue effects of low-income rates
33 shall not be borne solely by any single class of customer.

34 § 3. This act shall take effect on the sixtieth day after it shall
35 have become a law.