

STATE OF NEW YORK

4936

2025-2026 Regular Sessions

IN SENATE

February 14, 2025

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public service law and the public authorities law, in relation to providing for a two percent cap on rate increases imposed by utilities

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

1 Section 1. Subdivision 1 of section 65 of the public service law, as
2 amended by chapter 789 of the laws of 1930, is amended to read as
3 follows:

4 1. Every gas corporation, every electric corporation and every municipi-
5 pality shall furnish and provide such service, instrumentalities and
6 facilities as shall be safe and adequate and in all respects just and
7 reasonable. All charges made or demanded by any such gas corporation,
8 electric corporation or municipality for gas, electricity or any service
9 rendered or to be rendered, shall be just and reasonable and not more
10 than allowed by law or by order of the commission. Every unjust or
11 unreasonable charge made or demanded for gas, electricity or any such
12 service, or in connection therewith, or in excess of that allowed by law
13 or by the order of the commission is prohibited. No gas corporation or
14 electric corporation shall increase rates by more than two percent as
15 measured on an annual basis.

16 § 2. Paragraphs 2 and 4 of subdivision (u) of section 1020-f of the
17 public authorities law, as added by section 7 of part A of chapter 173
18 of the laws of 2013, are amended to read as follows:

19 2. The authority and the service provider shall thereafter submit for
20 review to the department of public service any rate proposal that would
21 increase the rates and charges [~~and thus increase the aggregate revenues~~
22 ~~of the authority by more than two and one-half~~]. Such rate proposal
23 shall not provide for an increase of such rates by more than two percent

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

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1 to be measured on an annual basis[; ~~provided, however, that the authori-~~
2 ~~ty may place such rates and charges into effect on an interim basis,~~
3 ~~subject to prospective rate adjustment; provided, further, that a final~~
4 ~~rate plan issued by the authority that would not so increase such rates~~
5 ~~and charges shall not be subject to the requirements of paragraph four~~
6 ~~of this subdivision and shall be considered final for the purposes of~~
7 ~~review under article seventy-eight of the civil practice law and rules.~~
8 ~~The authority and/or the service provider may otherwise submit for~~
9 ~~review to such department any rate proposal irrespective of its effect~~
10 ~~on revenues~~].

11 4. Any recommendations associated with a rate proposal submitted
12 pursuant to paragraphs one and two of this subdivision shall be provided
13 by the department of public service to the board of the authority imme-
14 diately upon their finalization by the department. Unless the board of
15 the authority makes a preliminary determination in its discretion that
16 any particular recommendation is inconsistent with the authority's sound
17 fiscal operating practices, any existing contractual or operating obli-
18 gations, or the provision of safe and adequate service, the board shall
19 implement such recommendations as part of its final rate plan and such
20 final determination shall be deemed to satisfy the requirements of this
21 subdivision and be considered final for the purposes of review under
22 article seventy-eight of the civil practice law and rules. The board
23 shall not approve a final rate plan that increases rates by more than
24 two percent. The board shall make any such preliminary determination of
25 inconsistency within thirty days of receipt of such recommendations,
26 with notice and the basis of such determination being provided to the
27 department of public service, and contemporaneously posted on the
28 websites of the authority and its service provider. The board shall
29 thereafter, within thirty days of such posting and with due advance
30 notice to the public, hold a public hearing with respect to its prelimi-
31 nary determination of inconsistency. At such hearing, the department of
32 public service shall present the basis for its recommendations, the
33 board shall present the basis for its determination of inconsistency and
34 the service provider may present its position. The authority and the
35 service provider may, during the time period before such public hearing
36 reach agreement with the department on disputed issues. Within thirty
37 days after such public hearing, the board of the authority shall
38 announce its final determination and planned implementation with respect
39 to any such recommendations. The authority's final determination of
40 inconsistency shall be subject to any applicable judicial review
41 proceeding, including review available under article seventy-eight of
42 the civil practice law and rules.

43 § 3. This act shall take effect on the ninetieth day after it shall
44 have become a law.