

9571--A

I N A S S E M B L Y

May 7, 2014

Introduced by M. of A. PAULIN -- read once and referred to the Committee on Energy -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, in relation to consumer cost mitigation programs

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

1 Section 1. Legislative intent. The 2013-14 winter season has brought
2 severe winter storms and temperatures well below average. This unusual
3 and unpredictable weather has resulted in significantly higher energy
4 supply costs which has caused drastically higher utility bills for resi-
5 dential and small business utility customers. The higher utility charges
6 are a significant burden on our residents and our small businesses.
7 Because utility companies have the expertise to monitor wholesale energy
8 supply prices and to calculate anticipated and actual increases in the
9 bills of utility customers, this information should be used to develop
10 and implement programs to level out utility costs for these important
11 customers. Such programs can be structured and implemented to provide
12 lower and more stable energy costs for customers while simultaneously
13 allowing public utility companies to recoup their costs over a reason-
14 able amount of time. Therefore, the legislature hereby finds and
15 declares that it is in the public interest to require such programs in
16 order to ensure safe and adequate service with just and reasonable
17 charges across the state of New York.

18 S 2. The public service law is amended by adding a new section 65-c to
19 read as follows:

20 S 65-C. INCREASE IN ENERGY SUPPLY PRICES; CONSUMER COST MITIGATION
21 PROGRAM. 1. SUBJECT TO THE PROVISIONS OF SUBDIVISION TWO OF THIS
22 SECTION, EACH PUBLIC UTILITY COMPANY SHALL IMPLEMENT A CONSUMER COST
23 MITIGATION PROGRAM SUBSTANTIALLY SIMILAR TO THE PROGRAM DESCRIBED IN
24 PUBLIC SERVICE COMMISSION CASE NUMBER 14-E-0026 IN ORDER TO MITIGATE
25 ANTICIPATED INCREASES IN CUSTOMER UTILITY CHARGES RESULTING FROM
26 PROJECTED OR ACTUAL INCREASES IN ENERGY SUPPLY PRICES. EACH PUBLIC UTIL-

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

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1 ITY COMPANY SHALL SUBMIT ITS CONSUMER COST MITIGATION PROGRAM TO THE
2 COMMISSION FOR APPROVAL. THE COMMISSION SHALL REVIEW SUCH SUBMISSIONS ON
3 AN EXPEDITED BASIS.

4 2. (A) EACH PUBLIC UTILITY COMPANY SHALL PROVIDE A COST MITIGATION
5 ADJUSTMENT TO UTILITY SUPPLY SERVICE CUSTOMERS WHEN SUCH PUBLIC UTILITY
6 DETERMINES, PURSUANT TO THE PROVISIONS OF ITS TARIFF FILED WITH AND
7 APPROVED BY THE COMMISSION, THAT AN ACTUAL OR PROJECTED INCREASE IN
8 ENERGY SUPPLY COSTS WILL RESULT IN AN ANTICIPATED INCREASE IN CUSTOMER
9 UTILITY ENERGY SUPPLY CHARGES OF AT LEAST FIFTEEN PERCENT OVER THE PRIOR
10 MONTH'S ENERGY SUPPLY CHARGES. IN CALCULATING THE ANTICIPATED PERCENT
11 INCREASE IN CUSTOMER UTILITY CHARGES, A PUBLIC UTILITY COMPANY SHALL
12 BASE SUCH CALCULATION ON USAGE OF SIX HUNDRED KWH PER MONTH FOR RESIDEN-
13 TIAL CUSTOMERS AND FIFTEEN HUNDRED KWH PER MONTH FOR SMALL BUSINESS
14 CUSTOMERS; PROVIDED HOWEVER, THAT A PUBLIC UTILITY COMPANY MAY, IN ITS
15 DISCRETION, PETITION THE COMMISSION TO USE OTHER USAGE BENCHMARKS IN
16 CALCULATING THE ANTICIPATED PERCENT INCREASE IN CUSTOMER UTILITY CHARG-
17 ES.

18 (B) THE COST ADJUSTMENT PROVIDED TO UTILITY SUPPLY SERVICE CUSTOMERS
19 UNDER A CONSUMER COST MITIGATION PROGRAM SHALL BE IN THE FORM OF A CRED-
20 IT ON THE SUPPLY PORTION OF THE UTILITY SUPPLY SERVICE CUSTOMERS' UTILI-
21 TY BILLS. SUCH CREDIT SHALL BE IDENTIFIED BY AN APPROPRIATE NAME AND
22 PLACED CONSPICUOUSLY ON CUSTOMERS' BILLS.

23 (C) EACH PUBLIC UTILITY COMPANY SHALL CONSPICUOUSLY POST ON ITS
24 WEBSITE DETAILS ABOUT ITS CONSUMER COST MITIGATION PROGRAM AS SOON AS
25 PRACTICABLE AFTER APPROVAL OF SUCH PROGRAM BY THE COMMISSION. EACH
26 PUBLIC UTILITY COMPANY SHALL ALSO PROVIDE WRITTEN NOTICE OF ITS CONSUMER
27 COST MITIGATION PROGRAM TO CONSUMERS AS SOON AS PRACTICABLE AFTER
28 APPROVAL OF SUCH PROGRAM BY THE COMMISSION. SUCH NOTICE SHALL CONTAIN
29 DETAILS ON THE CONSUMER COST MITIGATION PROGRAM INCLUDING, BUT NOT
30 LIMITED TO, AN EXPLANATION OF HOW SUCH PROGRAM WORKS AND AN EXPLANATION
31 OF THE TIMING, DURATION AND EFFECT OF PAY-BACK PERIODS. SUCH NOTICE TO
32 CUSTOMERS MAY ALSO INCLUDE INFORMATION ON THE PUBLIC UTILITY COMPANY'S
33 BUDGET PLAN, PAYMENT ASSISTANCE PROGRAM, OR ANY OTHER DEFERRED PAYMENT
34 PLAN THAT IT OFFERS AS AN OPTION TO CUSTOMERS. WRITTEN NOTICE TO A
35 CUSTOMER UNDER THIS SECTION MAY BE ACCOMPLISHED THROUGH ELECTRONIC MAIL
36 IF SUCH CUSTOMER PROVIDES HIS OR HER EMAIL ADDRESS TO THE PUBLIC UTILITY
37 COMPANY.

38 (D) EACH PUBLIC UTILITY COMPANY MAY ESTABLISH A COST RECOVERY MECH-
39 ANISM TO COLLECT DEFERRED PAYMENTS OWED BY UTILITY SUPPLY SERVICE
40 CUSTOMERS UNDER A CONSUMER COST MITIGATION PROGRAM. SUCH COST RECOVERY
41 MECHANISM SHALL COLLECT FROM THE SUPPLY PORTION OF THE UTILITY'S SUPPLY
42 SERVICE CUSTOMER UTILITY BILLS DEFERRED PAYMENTS FROM UTILITY SUPPLY
43 SERVICE CUSTOMERS OVER A PERIOD OF TIME NO SHORTER THAN TWELVE MONTHS,
44 UNLESS A SHORTER PERIOD OF TIME IS APPROVED BY THE COMMISSION.

45 3. DEFINITIONS. FOR THE PURPOSES OF THIS SECTION, THE TERM "PUBLIC
46 UTILITY COMPANY" SHALL MEAN ANY INVESTOR OWNED UTILITY COMPANY; AND THE
47 TERM "CUSTOMER" SHALL MEAN ANY RESIDENTIAL OR SMALL BUSINESS CUSTOMER
48 TAKING BOTH DELIVERY AND SUPPLY SERVICES FROM SUCH PUBLIC UTILITY AS
49 DETERMINED BY THE PROVISIONS OF A PUBLIC UTILITY COMPANY'S TARIFF FILED
50 WITH AND APPROVED BY THE COMMISSION.

51 S 3. This act shall take effect on the ninetieth day after it shall
52 have become a law.