S T A T E O F N E W Y O R K

3467

2013-2014 Regular Sessions

I N S E N A T E

February 4, 2013

Introduced by Sen. GALLIVAN -- 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, in relation to phasing out transition fees

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 6-a to read as follows:

6-A. TRANSITION FEES. (A) EFFECTIVE AS OF JANUARY FIRST, TWO THOUSAND FOURTEEN: NO ELECTRIC UTILITY SHALL CHARGE A TRANSITION RATE THAT VARIES BY FIFTY PERCENT OR GREATER FROM MONTH-TO-MONTH.

(B) ANY ELECTRIC UTILITY WHOSE TRANSITION RATE VARIES BY FIFTY PERCENT OR GREATER FROM MONTH-TO-MONTH MUST PROVIDE THE CUSTOMER WITH A BUDGET PLAN, WHEREIN SUCH BUDGET PLAN INCLUDES A RATE SCHEDULE THAT WILL NOT VIOLATE PARAGRAPH (A) OF THIS SUBDIVISION.

(C) NO ELECTRIC UTILITY SHALL CHARGE A TRANSITION FEE IN ADDITION TO OR IN SUBSTITUTION OF A TRANSITION FEE CALCULATED USING A TRANSITION RATE.

(D) EFFECTIVE AS OF JANUARY FIRST, TWO THOUSAND FIFTEEN: NO ELECTRIC UTILITY SHALL CHARGE A TRANSITION RATE THAT EXCEEDS THE MEAN OF THE TRANSITION RATE CHARGED FROM JANUARY, TWO THOUSAND TWELVE TO DECEMBER, TWO THOUSAND TWELVE.

(E) EFFECTIVE AS OF JANUARY FIRST, TWO THOUSAND SEVENTEEN: NO ELECTRIC UTILITY SHALL CHARGE A TRANSITION FEE.

(F) FOR THE PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS: (I) "TRANSITION RATE" SHALL BE DEFINED AS THE PRICE PER KILOWATT HOUR CHARGED BY THE ELECTRIC UTILITY TO CALCULATE THE TRANSITION FEE.

(II) "TRANSITION FEE" SHALL BE DEFINED AS ANY FEE CHARGED BY AN ELECTRIC UTILITY FOR THE ELECTRIC UTILITY'S COSTS, LIABILITIES, AND INVEST-

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

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MENTS, SUCH AS UNECONOMIC ASSETS, THAT ELECTRIC UTILITIES WOULD REASONABLY EXPECT TO RECOVER IF THE FORMER REGULATORY STRUCTURE CONTINUED AND THAT WILL NOT BE RECOVERED AS A RESULT OF RESTRUCTURED INDUSTRY REGULATION THAT ALLOWS RETAIL CHOICE OF ELECTRICITY SUPPLIERS.

(III) "BUDGET PLAN" SHALL BE DEFINED AS A PLAN DESIGNED TO REDUCE FLUCTUATIONS IN CUSTOMERS' BILLS DUE TO SEASONAL PATTERNS OF CONSUMPTION. UNLESS OTHERWISE AUTHORIZED BY THE COMMISSION, AS DESCRIBED IN SECTION SIXTY-SIX OF THIS ARTICLE, EACH SUCH PLAN SHALL BE BASED ON THE CUSTOMER'S RECENT TWELVE-MONTH EXPERIENCE, ADJUSTED FOR KNOWN CHANGES. IF TWELVE MONTHS OF BILLING DATA ARE NOT AVAILABLE FOR THE CUSTOMER THEN TWELVE MONTHS OF BILLING DATA FOR THE PREMISES SHALL BE USED. IF TWELVE MONTHS OF BILLING DATA ARE NOT AVAILABLE FOR THE PREMISES THEN THE UTILITY SHALL ESTIMATE FUTURE CONSUMPTION OVER THE NEXT TWELVE-MONTH PERIOD. EACH SUCH PLAN SHALL PROVIDE THAT BILLS CLEARLY IDENTIFY CONSUMPTION AND STATE THE AMOUNTS THAT WOULD BE DUE WITHOUT A BUDGET PLAN. EACH SUCH PLAN SHALL PROVIDE THAT BILLS BE SUBJECT TO REGULAR REVIEW FOR CONFORMITY WITH ACTUAL BILLINGS. EACH SUCH PLAN SHALL BE FILED WITH THE COMMISSION AND ANY SIGNIFICANT CHANGES IN THE PLAN SHALL BE SUBMITTED TO THE COMMISSION FOR REVIEW BEFORE IMPLEMENTATION.

S 2. This act shall take effect immediately.