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

7099

I N S E N A T E

April 28, 2014

Introduced by Sen. MAZIARZ -- 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 consumer cost mitigation programs

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

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

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

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

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

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COMMISSION FOR APPROVAL. THE COMMISSION SHALL REVIEW SUCH SUBMISSIONS ON AN EXPEDITED BASIS.

2. (A) EACH PUBLIC UTILITY COMPANY SHALL PROVIDE A COST MITIGATION ADJUSTMENT TO CUSTOMERS WHEN SUCH PUBLIC UTILITY COMPANY DETERMINES, PURSUANT TO THE PROVISIONS OF ITS TARIFF FILED WITH AND APPROVED BY THE COMMISSION, THAT AN ACTUAL OR PROJECTED INCREASE IN ENERGY SUPPLY COSTS WILL RESULT IN AN ANTICIPATED INCREASE IN CUSTOMER UTILITY CHARGES OF AT LEAST FIFTEEN PERCENT OVER THE PRIOR MONTH'S CHARGES. IN CALCULATING THE ANTICIPATED PERCENT INCREASE IN CUSTOMER UTILITY CHARGES, A PUBLIC UTILITY COMPANY SHALL BASE SUCH CALCULATION ON USAGE OF SIX HUNDRED KWH PER MONTH FOR RESIDENTIAL CUSTOMERS AND FIFTEEN HUNDRED KWH PER MONTH FOR SMALL BUSINESS CUSTOMERS; PROVIDED HOWEVER, THAT A PUBLIC UTILITY COMPANY MAY, IN ITS DISCRETION, PETITION THE COMMISSION TO USE OTHER USAGE BENCHMARKS IN CALCULATING THE ANTICIPATED PERCENT INCREASE IN CUSTOMER UTILITY CHARGES.

(B) THE COST ADJUSTMENT PROVIDED TO CUSTOMERS UNDER A CONSUMER COST MITIGATION PROGRAM SHALL BE IN THE FORM OF A CREDIT ON CUSTOMERS' UTILITY BILLS. SUCH CREDIT SHALL BE IDENTIFIED BY AN APPROPRIATE NAME AND PLACED CONSPICUOUSLY ON CUSTOMERS' BILLS.

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

(D) EACH PUBLIC UTILITY COMPANY MAY ESTABLISH A COST RECOVERY MECHANISM TO COLLECT DEFERRED PAYMENTS OWED BY CUSTOMERS UNDER A CONSUMER COST MITIGATION PROGRAM. SUCH COST RECOVERY MECHANISM SHALL COLLECT DEFERRED PAYMENTS FROM CUSTOMERS OVER A PERIOD OF TIME NO SHORTER THAN TWELVE MONTHS, UNLESS A SHORTER PERIOD OF TIME IS APPROVED BY THE COMMISSION.

3. DEFINITIONS. FOR THE PURPOSES OF THIS SECTION, THE TERM "PUBLIC UTILITY COMPANY" SHALL MEAN ANY INVESTOR OWNED UTILITY COMPANY; AND THE TERM "CUSTOMER" SHALL MEAN ANY RESIDENTIAL OR SMALL BUSINESS CUSTOMER AS DETERMINED BY THE PROVISIONS OF A PUBLIC UTILITY COMPANY'S TARIFF FILED WITH AND APPROVED BY THE COMMISSION.

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