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I N   A S S E M B L Y

May 7, 2014

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Introduced by M. of A. PAULIN -- read once and referred to the Committee  
on Energy

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 ASSEM-  
BLY, 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-  
27    ITY 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.

LBD14711-01-4

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

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

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

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

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

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

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