

7099--A

Cal. No. 774

I N S E N A T E

April 28, 2014

Introduced by Sens. MAZIARZ, RITCHIE -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

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

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

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1 PROJECTED OR ACTUAL INCREASES IN ENERGY SUPPLY PRICES. EACH PUBLIC UTIL-
2 ITY COMPANY SHALL SUBMIT ITS CONSUMER COST MITIGATION PROGRAM TO THE
3 COMMISSION FOR APPROVAL. THE COMMISSION SHALL REVIEW SUCH SUBMISSIONS ON
4 AN EXPEDITED BASIS.

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

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

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

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

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

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