

3916

2015-2016 Regular Sessions

I N   S E N A T E

February 20, 2015

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Introduced by Sen. GRIFFO -- 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:

1     Section 1. Legislative intent. The 2013-14 winter season 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

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

LBD00548-01-5

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

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

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

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

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

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

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