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

6024--A

2015-2016 Regular Sessions

I N S E N A T E

August 3, 2015

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- recommitted to the Committee on Energy and Telecommunications in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, in relation to providing a program to extend natural gas delivery to unserved or underserved areas

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

Section 1. The public service law is amended by adding a new section 65-c to read as follows:

S 65-C. EXTENDING NATURAL GAS DELIVERIES TO UNSERVED AND UNDERSERVED AREAS. 1. PETITION. NO LATER THAN JANUARY FIRST, TWO THOUSAND SEVENTEEN, OR SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, WHICHEVER IS LATER, EACH NATURAL GAS DISTRIBUTION COMPANY SHALL FILE A PETITION WITH THE COMMISSIONER PROPOSING A PILOT OR PERMANENT PROGRAM, INCLUDING ANY NECESSARY TARIFFS, TO EXTEND NATURAL GAS DISTRIBUTION SERVICE FOR END-USERS TO UNSERVED OR UNDERSERVED AREAS WITHIN ITS CERTIFICATED SERVICE TERRITORY.

2. PROGRAM REQUIREMENTS. A PROPOSED PROGRAM SHALL INCLUDE:

(A) A PROCESS FOR MANAGING AND PRIORITIZING CUSTOMER REQUESTS FROM END-USERS FOR EXTENSIONS OF THE NATURAL GAS DISTRIBUTION SYSTEM;

(B) A COST-BENEFIT ANALYSIS TO DETERMINE IF A CUSTOMER CONTRIBUTION IS REQUIRED;

(C) A METHOD FOR DETERMINING THE AMOUNT OF A REQUIRED CUSTOMER CONTRIBUTION IN AID OF CONSTRUCTION;

(D) A PROGRAM TO ENHANCE THE AFFORDABILITY OF REQUIRED CONTRIBUTIONS IN AID OF CONSTRUCTION TO CUSTOMERS, INCLUDING THE FOLLOWING PROVISIONS:

(I) THE PROGRAM SHALL PROVIDE FOR ON-BILL FINANCING FOR A TERM OF NO LESS THAN FIVE YEARS;

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

LBD11599-03-6

(II) A CUSTOMER SHALL BE ABLE TO PAY A REQUIRED CUSTOMER CONTRIBUTION IN FULL AT ANY TIME, WITHOUT INCURRING PENALTIES OR FEES; AND

(III) THE FORM OF FINANCING MAY INCLUDE A SURCHARGE, THIRD-PARTY FINANCING OR ANY OTHER METHOD OF RECOVERY APPROVED BY THE COMMISSION;

(E) A PROVISION OUTLINING WHETHER AND HOW REFUNDS OR CREDITS WILL BE PROVIDED TO CUSTOMERS AS OTHER CUSTOMERS RECEIVE SERVICE FROM A COMPLETED DISTRIBUTION SYSTEM EXTENSION PROJECT;

(F) A PROVISION ADDRESSING THE TREATMENT AND ELIGIBILITY OF CUSTOMERS PARTICIPATING IN A CUSTOMER ASSISTANCE PROGRAM WHO REQUEST AND RECEIVE SERVICE FROM A DISTRIBUTION SYSTEM EXTENSION PROJECT;

(G) A PROVISION ADDRESSING SITUATIONS WHERE A CUSTOMER FAILS TO PAY A REQUIRED SURCHARGE OR OTHER ON-BILL FINANCING MECHANISM;

(H) A CUSTOMER'S NATURAL GAS DISTRIBUTION SERVICE SHALL NOT BE TERMINATED SOLELY FOR NONPAYMENT OF A SURCHARGE OR OTHER ON-BILL FINANCING MECHANISM; AND

(I) ANY OTHER PROVISIONS THAT WILL PROMOTE ECONOMIC DISTRIBUTION SYSTEM EXTENSION TO END-USERS IN UNSERVED AND UNDERSERVED AREAS IN A MANNER THAT IS AFFORDABLE TO CUSTOMERS.

3. COMMISSION REVIEW. THE COMMISSION:

(A) SHALL REVIEW A PETITION FILED PURSUANT TO SUBDIVISION ONE OF THIS SECTION, AFTER PROVIDING NOTICE AND AN OPPORTUNITY TO BE HEARD AND MAY APPROVE, DISAPPROVE OR MODIFY THE FILING PURSUANT TO ITS PROCEDURAL RULES;

(B) MAY ESTABLISH PERIODIC REPORTING REQUIREMENTS TO REVIEW THE PERFORMANCE AND EFFECTIVENESS OF A PROGRAM; AND

(C) SHALL NOT REQUIRE A NATURAL GAS DISTRIBUTION COMPANY TO EXTEND ITS DISTRIBUTION SYSTEM TO ANY AREA OR CUSTOMER THAT DOES NOT PROVIDE THE OPPORTUNITY TO EARN A REASONABLE RETURN ON INVESTMENT.

S 2. This act shall take effect on the sixtieth day after it shall have become a law.