

# STATE OF NEW YORK

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4627

2021-2022 Regular Sessions

## IN SENATE

February 8, 2021

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Introduced by Sen. COMRIE -- 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 and the public authorities law, in relation to providing for a two percent cap on rate increases imposed by utilities

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 1 of section 65 of the public service law, as  
2 amended by chapter 789 of the laws of 1930, is amended to read as  
3 follows:

4 1. Every gas corporation, every electric corporation and every municipi-  
5 pality shall furnish and provide such service, instrumentalities and  
6 facilities as shall be safe and adequate and in all respects just and  
7 reasonable. All charges made or demanded by any such gas corporation,  
8 electric corporation or municipality for gas, electricity or any service  
9 rendered or to be rendered, shall be just and reasonable and not more  
10 than allowed by law or by order of the commission. Every unjust or  
11 unreasonable charge made or demanded for gas, electricity or any such  
12 service, or in connection therewith, or in excess of that allowed by law  
13 or by the order of the commission is prohibited. No gas corporation or  
14 electric corporation shall increase rates and charges by more than two  
15 percent as measured on an annual basis.

16 § 2. Paragraphs 2 and 4 of subdivision (u) of section 1020-f of the  
17 public authorities law, as added by section 7 of part A of chapter 173  
18 of the laws of 2013, are amended to read as follows:

19 2. The authority and the service provider shall thereafter submit for  
20 review to the department of public service any rate proposal that would  
21 increase the rates and charges [~~and thus increase the aggregate revenues~~  
22 ~~of the authority by more than two and one-half~~]. Such rate proposal  
23 shall not provide for an increase of such rates and charges by more than

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

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1 two percent to be measured on an annual basis[~~, provided, however, that~~  
2 ~~the authority may place such rates and charges into effect on an interim~~  
3 ~~basis, subject to prospective rate adjustment; provided, further, that a~~  
4 ~~final rate plan issued by the authority that would not so increase such~~  
5 ~~rates and charges shall not be subject to the requirements of paragraph~~  
6 ~~four of this subdivision and shall be considered final for the purposes~~  
7 ~~of review under article seventy-eight of the civil practice law and~~  
8 ~~rules. The authority and/or the service provider may otherwise submit~~  
9 ~~for review to such department any rate proposal irrespective of its~~  
10 ~~effect on revenues~~].

11 4. Any recommendations associated with a rate proposal submitted  
12 pursuant to paragraphs one and two of this subdivision shall be provided  
13 by the department of public service to the board of the authority imme-  
14 diately upon their finalization by the department. Unless the board of  
15 the authority makes a preliminary determination in its discretion that  
16 any particular recommendation is inconsistent with the authority's sound  
17 fiscal operating practices, any existing contractual or operating obli-  
18 gations, or the provision of safe and adequate service, the board shall  
19 implement such recommendations as part of its final rate plan and such  
20 final determination shall be deemed to satisfy the requirements of this  
21 subdivision and be considered final for the purposes of review under  
22 article seventy-eight of the civil practice law and rules. The board  
23 shall not approve a final rate plan that increases rates and charges by  
24 more than two percent. The board shall make any such preliminary deter-  
25 mination of inconsistency within thirty days of receipt of such recom-  
26 mendations, with notice and the basis of such determination being  
27 provided to the department of public service, and contemporaneously  
28 posted on the websites of the authority and its service provider. The  
29 board shall thereafter, within thirty days of such posting and with due  
30 advance notice to the public, hold a public hearing with respect to its  
31 preliminary determination of inconsistency. At such hearing, the depart-  
32 ment of public service shall present the basis for its recommendations,  
33 the board shall present the basis for its determination of inconsistency  
34 and the service provider may present its position. The authority and the  
35 service provider may, during the time period before such public hearing  
36 reach agreement with the department on disputed issues. Within thirty  
37 days after such public hearing, the board of the authority shall  
38 announce its final determination and planned implementation with respect  
39 to any such recommendations. The authority's final determination of  
40 inconsistency shall be subject to any applicable judicial review  
41 proceeding, including review available under article seventy-eight of  
42 the civil practice law and rules.

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