

# STATE OF NEW YORK

3168

2023-2024 Regular Sessions

## IN ASSEMBLY

February 2, 2023

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 energy services companies

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

1 Section 1. The public service law is amended by adding a new section  
2 66-u to read as follows:

3 § 66-u. Energy services companies. 1. Energy services companies or  
4 "ESCO", as defined in paragraph (b) of subdivision one of section three  
5 hundred forty-nine-d of the general business law, shall only enroll new  
6 or renew existing residential or small non-residential customers in gas  
7 or electric service if at least one of the following conditions is met:

8 (a) the enrollment contract guarantees savings over the utility price;

9 (b) enrollment is for a fixed-rate commodity product, priced at no  
10 more than five percent greater than the trailing twelve-month average  
11 utility supply rate; or

12 (c) enrollment is for a renewably sourced electric commodity product  
13 that:

14 (i) has a renewable mix that is at least fifty percent greater than  
15 the ESCO's current renewable energy standard obligation; and

16 (ii) the ESCO complies with the renewable energy standard locational  
17 and delivery requirements when procuring renewable energy credits or  
18 entering into bilateral contracts for renewable commodity supply.

19 2. An ESCO shall be required to guarantee savings to all low-income  
20 customers. In order to provide service to a low-income customer, prior  
21 to enrollment in a contract, an ESCO shall submit to the department a  
22 description which includes, at minimum:

23 (a) a calculation of what the customer would have paid to the default  
24 utility;

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

LBD05731-01-3

1 (b) an assurance that the customer will be paying no more than they  
2 would have paid to the default utility; and

3 (c) a description of how the ESCO will comply with reporting require-  
4 ments in accordance with subdivision five of this section, including a  
5 process for the department or customer to verify compliance with the  
6 provisions of this section.

7 3. An ESCO shall receive affirmative consent from residential or small  
8 non-residential customers prior to enrolling the customer into a  
9 contract that provides renewable energy but does not guarantee savings.

10 4. An ESCO shall provide to customers a transparency of information  
11 and disclosure statement with respect to pricing and commodity sourcing.  
12 Such statement shall include calculations that show the price per kilo-  
13 watt-hour the customer will pay and how that price compares with the  
14 applicable default utility service price, the type of renewable energy  
15 content in each product the ESCO offers and the percentage of renewable  
16 electricity that will be advertised for that product. Such disclosure  
17 statement shall be made publicly available on the ESCO's website.

18 5. The disclosure statement for each ESCO shall be made publicly  
19 available on the commission's website. Such disclosure statement shall  
20 include the relevant facts established and the reason for allowing the  
21 ESCO to provide energy services to low-income customers.

22 6. Enrollment contracts between an ESCO and a customer, pursuant to  
23 subdivisions one and two of this section, shall include a customer  
24 notice statement in fourteen-point font. Such customer notice statement  
25 shall disclose the calculation of what the customer would have paid to  
26 the default utility and an assurance that the customer will be paying no  
27 more than they would have paid to the default utility.

28 § 2. This act shall take effect immediately.