

# STATE OF NEW YORK

11463

## IN ASSEMBLY

May 20, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Braunstein)  
-- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public service law, in relation to allowing issues before the public service commission to be determined publicly rather than through settlement discussions not open to the public

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

1 Section 1. Section 66 of the public service law is amended by adding a  
2 new subdivision 33 to read as follows:

3 33. (a) In any rate proceeding, any party may seek to sever from  
4 consideration in the settlement process or inclusion in any joint  
5 proposal any substantive issue that it discussed in its direct testimony  
6 through a motion to the presiding administrative law judge that is filed  
7 no later than ten days after the last permitted date for the filing of  
8 reply testimony by parties. Such motion shall indicate the substantive  
9 issue or issues for which the moving party seeks severance and the  
10 related page numbers in the moving party's testimony. Parties may file  
11 responsive motions within ten days supporting or challenging the moving  
12 party's assertion that it developed the identified substantive issue or  
13 issues in its direct testimony. The presiding administrative law judge  
14 shall issue a written ruling within fifteen days after the filing of  
15 responses that provides the reasons for concluding that the moving party  
16 did or did not provide a substantive issue or substantive issues in its  
17 testimony. The moving party may appeal the administrative law judge's  
18 decision to the commission through a request for interlocutory review  
19 pursuant to the department's rules.

20 (b) Upon the granting of the motion by the administrative law judge,  
21 or of the request for interlocutory review by the commission, the iden-  
22 tified substantive issue or issues may be discussed in settlement nego-  
23 tiations during the first sixty days after the formal commencement of  
24 settlement negotiations. After sixty days have elapsed, disposition of  
25 the substantive issues or issues shall be subject to the litigation  
26 process only unless the moving party advises the parties, administrative

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

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1 law judge, and commission in writing that it waives its right to sever  
2 the identified substantive issue or issues from the settlement process  
3 and agrees to allow discussion of such issues in settlement negotiations  
4 and potential inclusion in a joint proposal. Waiving the right to sever  
5 does not preclude the moving party from objecting to any provision  
6 included in a filed joint proposal.

7 (c) As used in this subdivision, the following terms shall have the  
8 following meanings:

9 (i) "Joint proposal" shall mean a negotiated settlement agreement  
10 signed by two or more parties in a rate proceeding.

11 (ii) "Interlocutory review" shall mean a motion to the commission  
12 requesting review of a ruling by an administrative law judge.

13 (iii) The "moving party" shall mean the party who seeks severance of  
14 an issue or issues under this subdivision.

15 (iv) "Party" shall mean any party to a commission rate proceeding  
16 other than the department or the utility.

17 (v) "Settlement process" shall mean a set of formal negotiations of  
18 the parties organized by the department that is intended to resolve all  
19 or some of the issues in any rate proceeding and lead to a joint  
20 proposal.

21 (vi) "Substantive issue" shall mean an issue in which testimony by a  
22 moving party contains allegations of facts or law, which, after further  
23 development through the litigation process, including evidentiary hear-  
24 ings, interrogatories or discovery, may be material to the resolution of  
25 the issue in the recommended decision or final order. The intent of this  
26 definition is to permit any allegation of fact with any evidentiary  
27 support or legal claim to meet this standard; where the issue concerns  
28 at least in part a factual allegation, only conclusory assertions of  
29 fact without any evidentiary support in the moving party's testimony are  
30 not substantive.

31 § 2. Section 80 of the public service law is amended by adding a new  
32 subdivision 13 to read as follows:

33 13. (a) In any rate proceeding, any party may seek to sever from  
34 consideration in the settlement process or inclusion in any joint  
35 proposal any substantive issue that it discussed in its direct testimony  
36 through a motion to the presiding administrative law judge that is filed  
37 no later than ten days after the last permitted date for the filing of  
38 reply testimony by parties. Such motion shall indicate the substantive  
39 issue or issues for which the moving party seeks severance and the  
40 related page numbers in the moving party's testimony. Parties may file  
41 responsive motions within ten days supporting or challenging the moving  
42 party's assertion that it developed the identified substantive issue or  
43 issues in its direct testimony. The presiding administrative law judge  
44 shall issue a written ruling within fifteen days after the filing of  
45 responses that provides the reasons for concluding that the moving party  
46 did or did not provide a substantive issue or substantive issues in its  
47 testimony. The moving party may appeal the administrative law judge's  
48 decision to the commission through a request for interlocutory review  
49 pursuant to the department's rules.

50 (b) Upon the granting of the motion by the administrative law judge,  
51 or of the request for interlocutory review by the commission, the iden-  
52 tified substantive issue or issues may be discussed in settlement nego-  
53 tiations during the first sixty days after the formal commencement of  
54 settlement negotiations. After sixty days have elapsed, disposition of  
55 the substantive issues or issues shall be subject to the litigation  
56 process only unless the moving party advises the parties, administrative

1 law judge, and commission in writing that it waives its right to sever  
2 the identified substantive issue or issues from the settlement process  
3 and agrees to allow discussion of such issues in settlement negotiations  
4 and potential inclusion in a joint proposal. Waiving the right to sever  
5 does not preclude the moving party from objecting to any provision  
6 included in a filed joint proposal.

7 (c) As used in this subdivision, the following terms shall have the  
8 following meanings:

9 (i) "Joint proposal" shall mean a negotiated settlement agreement  
10 signed by two or more parties in a rate proceeding.

11 (ii) "Interlocutory review" shall mean a motion to the commission  
12 requesting review of a ruling by an administrative law judge.

13 (iii) The "moving party" shall mean the party who seeks severance of  
14 an issue or issues under this subdivision.

15 (iv) "Party" shall mean any party to a commission rate proceeding  
16 other than the department or the utility.

17 (v) "Settlement process" shall mean a set of formal negotiations of  
18 the parties organized by the department that is intended to resolve all  
19 or some of the issues in any rate proceeding and lead to a joint  
20 proposal.

21 (vi) "Substantive issue" shall mean an issue in which testimony by a  
22 moving party contains allegations of facts or law, which, after further  
23 development through the litigation process, including evidentiary hear-  
24 ings, interrogatories or discovery, may be material to the resolution of  
25 the issue in the recommended decision or final order. The intent of this  
26 definition is to permit any allegation of fact with any evidentiary  
27 support or legal claim to meet this standard; where the issue concerns  
28 at least in part a factual allegation, only conclusory assertions of  
29 fact without any evidentiary support in the moving party's testimony are  
30 not substantive.

31 § 3. Section 89-c of the public service law is amended by adding a new  
32 subdivision 18 to read as follows:

33 18. (a) In any rate proceeding, any party may seek to sever from  
34 consideration in the settlement process or inclusion in any joint  
35 proposal any substantive issue that it discussed in its direct testimony  
36 through a motion to the presiding administrative law judge that is filed  
37 no later than ten days after the last permitted date for the filing of  
38 reply testimony by parties. Such motion shall indicate the substantive  
39 issue or issues for which the moving party seeks severance and the  
40 related page numbers in the moving party's testimony. Parties may file  
41 responsive motions within ten days supporting or challenging the moving  
42 party's assertion that it developed the identified substantive issue or  
43 issues in its direct testimony. The presiding administrative law judge  
44 shall issue a written ruling within fifteen days after the filing of  
45 responses that provides the reasons for concluding that the moving party  
46 did or did not provide a substantive issue or substantive issues in its  
47 testimony. The moving party may appeal the administrative law judge's  
48 decision to the commission through a request for interlocutory review  
49 pursuant to the department's rules.

50 (b) Upon the granting of the motion by the administrative law judge,  
51 or of the request for interlocutory review by the commission, the iden-  
52 tified substantive issue or issues may be discussed in settlement nego-  
53 tiations during the first sixty days after the formal commencement of  
54 settlement negotiations. After sixty days have elapsed, disposition of  
55 the substantive issues or issues shall be subject to the litigation  
56 process only unless the moving party advises the parties, administrative

1 law judge, and commission in writing that it waives its right to sever  
2 the identified substantive issue or issues from the settlement process  
3 and agrees to allow discussion of such issues in settlement negotiations  
4 and potential inclusion in a joint proposal. Waiving the right to sever  
5 does not preclude the moving party from objecting to any provision  
6 included in a filed joint proposal.

7 (c) As used in this subdivision, the following terms shall have the  
8 following meanings:

9 (i) "Joint proposal" shall mean a negotiated settlement agreement  
10 signed by two or more parties in a rate proceeding.

11 (ii) "Interlocutory review" shall mean a motion to the commission  
12 requesting review of a ruling by an administrative law judge.

13 (iii) The "moving party" shall mean the party who seeks severance of  
14 an issue or issues under this subdivision.

15 (iv) "Party" shall mean any party to a commission rate proceeding  
16 other than the department or the utility.

17 (v) "Settlement process" shall mean a set of formal negotiations of  
18 the parties organized by the department that is intended to resolve all  
19 or some of the issues in any rate proceeding and lead to a joint  
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21 (vi) "Substantive issue" shall mean an issue in which testimony by a  
22 moving party contains allegations of facts or law, which, after further  
23 development through the litigation process, including evidentiary hear-  
24 ings, interrogatories or discovery, may be material to the resolution of  
25 the issue in the recommended decision or final order. The intent of this  
26 definition is to permit any allegation of fact with any evidentiary  
27 support or legal claim to meet this standard; where the issue concerns  
28 at least in part a factual allegation, only conclusory assertions of  
29 fact without any evidentiary support in the moving party's testimony are  
30 not substantive.

31 § 4. This act shall take effect on the one hundred twentieth day after  
32 it shall have become a law, and shall apply to public service commission  
33 proceedings initiated on or after such date. Effective immediately, the  
34 addition, amendment and/or repeal of any rule or regulation necessary  
35 for the implementation of this act on its effective date are authorized  
36 to be made and completed on or before such effective date.