

STATE OF NEW YORK

10530

IN SENATE

May 19, 2026

Introduced by Sen. KRUEGER -- 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 electric service to tenants provided through submeters

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 52-a to read as follows:

3 § 52-a. Electric service to tenants provided through submeters. 1. As
4 used in this section, the following terms shall have the following mean-
5 ings:

6 (a) "Owner" means and includes the owner, owners, or agents of the
7 freehold of the premises or lesser estate therein, mortgagee or vendee
8 in possession, assignee of rents, receiver, executor, trustee, lessee,
9 agent, or any other person, firm or corporation, directly or indirectly
10 in control of a dwelling.

11 (b) "Submeterer" means any multi-unit residential premises owner or
12 utility customer of record who purchases electricity for delivery by the
13 utility to the premises and facilitates the sale or redistribution of
14 such electricity for use by the premises occupants whose units are sepa-
15 rately metered and billed based on the measurement of electricity use in
16 each occupant's unit. Any entity acting on behalf of such owner that
17 arranges for the installation of submeters and the billing of submetered
18 usage to individual residents shall be considered the agent of the subm-
19 eterer. The submeterer may engage the services of a submetering service
20 provider to install meters, read meters and/or handle billing.

21 (c) "Submetering" means a system of measuring electricity use in a
22 residential unit in a master-metered multi-unit residential premises by
23 means of a submeter installed on the wiring to each residential unit.

24 (d) "Dwelling" means any building or structure or portion thereof
25 which is occupied in whole or in part as the home, apartment residence
26 or sleeping place of one or more human beings, including any equipment
27 located outside such building or structure or portion thereof which is

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

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1 under the exclusive use and control of the occupant, and is either rent-
2 ed, leased, let or hired out, to be occupied, or is occupied as the
3 residence or home of one or more persons.

4 (e) "Utility" means any gas or electric corporation and/or munici-
5 pality providing service to residential customers.

6 (f) "Submetered unit" means any tenant, or tenants who rent a dwelling
7 from an owner that is served by a submeter.

8 (g) "Extraordinary cost" means the cost, as determined by a qualified
9 professional, of installing equipment necessary to eliminate a submeter
10 in a dwelling or portion thereof which is in excess of the amount of
11 rent for four months rental of such dwelling. The commission shall adopt
12 additional rules for determining extraordinary cost based upon whether
13 the amount of service measured by the shared meter that is utilized
14 outside the shared meter customer's dwelling is sufficient to warrant
15 the cost of such installation.

16 (h) "Legal impediment" means a restriction which prevents separate
17 metering, rewiring, or re-piping due to zoning ordinances which limit
18 the number or type or location of meters in a building or due to the
19 historical significance of the structure or such other legal
20 restrictions as determined by the commission in its rules.

21 (i) "Shared area charges" means that portion of charges billed for
22 service to areas outside the submetered dwellings that are for nonexclu-
23 sive use by tenants.

24 (j) "Third-party charge" means that a third-party whose utility
25 service was to be measured through another meter had caused or benefit-
26 ted from a submeter condition.

27 2. (a) An owner or submeterer shall eliminate any submetering problems
28 in a timely manner and shall be responsible for all the shared area
29 charges for service measured to areas outside of the dwelling, unless
30 there is an agreement pursuant to paragraph (b) or (c) of this subdivi-
31 sion.

32 (b) (i) In the event that a legal impediment or extraordinary cost
33 prevents elimination of a submetering problem or in the event that the
34 problem measured through the electric submeter is minimal, under commis-
35 sion rules adopted, pursuant to subdivision seven of this section, the
36 owner, as an alternative to eliminating the submeter problem, may enter
37 into a mutually acceptable written agreement with the submeter customer.
38 Where applicable, if a third-party charge shall occur, for apportioning
39 the charges for service measured through a submeter; the submeter
40 customer experiencing such problem shall pay only for the estimated
41 amount of service provided to the dwelling; or

42 (ii) In the event that there is an existing written agreement between
43 the owner and all submetered units for the apportionment of charges for
44 shared area charges as measured prior to October twenty-fourth, nineteen
45 hundred ninety-one, such agreement will remain in effect, provided,
46 however, that one or all of the submetered units may request the commis-
47 sion or its designee to review the existing written agreement if such
48 customer believes the terms are unfair, unreasonable, or if there is a
49 finding that the shared area charges do not meet the terms of the agree-
50 ment. If the commission or its designee finds that the terms of the
51 existing written agreement are unfair or unreasonable, the commission or
52 its designee shall void such agreement and assist the interested parties
53 in negotiating and executing a mutually acceptable written agreement.

54 (c) (i) In the event that a mutually acceptable written agreement is
55 negotiated and executed, the owner shall provide a copy of the agreement
56 to all parties.

1 (ii) If the interested parties are unable to negotiate a mutually
2 acceptable written agreement, the commission or its designee, upon a
3 complaint by a customer or owner, shall order a remedy, consistent with
4 the relief provided in this section, as it deems proper. The commission
5 or its designee shall have the authority to apportion estimated charges
6 for service measured through a submeter among the owner, and all subme-
7 tered units.

8 3. The provisions of this section: (a) may not be waived by an owner,
9 tenant, or utility; and (b) shall not affect the validity of a lease or
10 rental agreement in effect on or before the effective date of this
11 section. For purposes of this section, renewals and extensions of leases
12 and rental agreements that commence after the effective date of this
13 section shall be deemed to be new leases and rental agreements.

14 4. (a) Upon a customer's verbal or written complaint to the owner that
15 a submeter is measuring service to the customer's dwelling incorrectly
16 and that the customer is responsible for any incorrect charges for such
17 service, or upon receipt of other information indicating that a problem
18 may exist, the owner shall notify the public service commission in writ-
19 ing no less than five days after such complaint is made or receipt of
20 information indicating that a problem exists. The owner or submeterer
21 shall also provide a copy of such notice to the complainant. If such
22 owner is not the submeterer or in control of the meters and related
23 equipment notice shall also be provided to such metering utility. Upon
24 the request of a submetered unit, or upon an indication that a problem
25 may exist, such owner or submeterer shall immediately, but no later than
26 thirty-days after such problem was identified, conduct an investigation.

27 (b) (i) The investigation described in paragraph (a) of this subdivi-
28 sion shall be conducted, within thirty business days of the date of the
29 complaint or receipt of information indicating a problem may exist. The
30 investigation shall include, but not be limited to, conducting appropri-
31 ate tests, an examination of wiring, piping, meters and heating equip-
32 ment in the building as may be needed, an estimate of gas, electricity
33 or steam used in the submetered customer's dwelling and in areas outside
34 the dwelling, and a review of billing records, and a review of the total
35 bill paid by all submetered units to the owner and the total bill paid
36 to the utility by the owner or submeterer.

37 (ii) Any investigation conducted pursuant to this subdivision shall be
38 performed by a licensed electrician or professional engineer. Such indi-
39 vidual shall be independent and not an employee of, nor have a direct
40 financial interest in, the owner, submeterer, or any submetering service
41 provider responsible for billing at the premises.

42 (c) Each submetered unit shall be provided with a written determi-
43 nation of the findings of such investigation. A notice shall be included
44 with the determination informing the recipients of the availability of
45 the commission's complaint handling procedures, and providing the
46 department's address and telephone number for filing objections to such
47 determination.

48 (d) Failure of an owner or submeterer to conduct an investigation, to
49 provide access to any common area in the building or to cooperate with
50 any reasonable request made by the commission or submeter testing orga-
51 nization shall result in a determination that the customer's submeter
52 problem is founded. The owner shall be required to provide credits to
53 residents for such overcharges plus interest as consistent with section
54 one hundred eighteen of this chapter and with 16 NYCRR § 145.

55 (e) (i) Any customer filing a complaint under this section shall
56 provide reasonable access to the dwelling to conduct the investigation

1 described herein. The owner or submeterer shall make good faith efforts
2 to schedule and conduct the investigation in a manner that minimizes
3 disruption to the customer.

4 (ii) An owner or submeterer may submit a written request to the
5 commission that an investigation be suspended for failure to cooperate
6 if the customer filing a complaint has unreasonably refused access after
7 a minimum of three good faith attempts to schedule and conduct the
8 investigation. The owner or submeterer shall notify the customer in
9 writing of any request for suspension and shall provide the commission
10 documentation in support of such efforts. For the purposes of this
11 subparagraph, documentation shall include, but not be limited to, the
12 dates, times, and methods of communication for each attempt.

13 (iii) An investigation may be suspended for failure to cooperate only
14 upon a written determination by the commission or its designee that the
15 customer has unreasonably refused access after documented good faith
16 efforts by the owner or submeterer. The owner or submeterer shall notify
17 the customer in writing of any determination issued pursuant to this
18 paragraph.

19 (f) Any customer filing a complaint under this section or owner who
20 disagrees with a determination may utilize the commission's complaint
21 handling procedures to obtain a written departmental determination by
22 complaining to the department within forty-five days after receipt of
23 the meter test findings. In the event that the meter test as a result of
24 a complaint under this section within does not occur under the required
25 time period, the department shall investigate, upon the submeter custom-
26 er's or owner's request, and issue a written determination. The commis-
27 sion or its designee shall have the authority to apportion estimated
28 charges for service measured by a shared meter among the owner, shared
29 meter customer and any third-party.

30 5. Notwithstanding any inconsistent provision of law, one hundred
31 twenty days after notice is sent to the owner that meter test or commis-
32 sion has made a final determination that a submeter customer's dwelling
33 is in violation of subdivision two of this section:

34 (a) the commission shall verify that, pursuant to subdivision two of
35 this section, the owner has eliminated the submeter problem or has
36 entered into a mutually acceptable written agreement with the submetered
37 units for apportioning the charges for service measured by the submeter-
38 er and has provided a copy to each dwelling or, as an alternative to
39 eliminating the submeter problem, has established a separate account in
40 the owner's name as the customer of record for all applicable shared
41 area charges and all future service measured resulting from shared area
42 charges;

43 (b) if the owner has not eliminated the problem or entered into such
44 agreement or established such account or if the amount of the service is
45 not minimal under commission rules adopted pursuant to subdivision seven
46 of this section, the commission shall establish an account in the
47 owner's name as the customer of record for service measured to shared
48 areas and bill the owner for all applicable shared area charges and all
49 future service measured; provided, however, that the commission or its
50 designee may grant an extension not to exceed ninety days to an owner
51 if, in its judgment, extenuating circumstances beyond an owner's control
52 prevented timely compliance, or such meter is the subject of an ongoing
53 department review regarding the apportionment of estimated charges
54 pursuant to subparagraph (ii) of paragraph (c) of subdivision two of
55 this section. Notice of such extension shall be provided to each subme-
56 tered unit within the building;

1 (c) the owner or submeterer shall refund to the submeter customer an
2 estimated amount of excess charges for twelve months of all service
3 measured as a result of the submeter problem, not limited to shared area
4 charges or third-party involvement; provided, however, that this para-
5 graph shall not apply if charges are minimal under commission rules
6 adopted pursuant to subdivision seven of this section.

7 6. No owner or submeterer may bill a submeter unit or otherwise
8 recover from any customer any portion of the submeter problem charges or
9 charges refunded. The owner or submeterer may enter into a written
10 agreement with all parties pursuant to section two or resolve any subme-
11 tering problems in compliance with section one hundred eighteen of this
12 chapter and with 16 NYCRR Part 96.

13 7. Notwithstanding any provision of this section to the contrary, the
14 commission shall determine an appropriate quantity of service on a
15 submeter that is utilized outside of the customer's dwelling which is to
16 be considered minimal in commission through rules and regulations.

17 § 2. This act shall take effect on the first of January next succeed-
18 ing the date upon which it shall have become a law. Effective immediate-
19 ly, the addition, amendment and/or repeal of any rule or regulation
20 necessary for the implementation of this act on its effective date are
21 authorized to be made and completed on or before such effective date.