

STATE OF NEW YORK

9041

2025-2026 Regular Sessions

IN ASSEMBLY

September 5, 2025

Introduced by M. of A. SANTABARBARA -- read once and referred to the Committee on Energy

AN ACT to amend the public service law, in relation to prohibiting utilities from raising rates while reporting high profits and requiring utilities to reinvest revenues into New York's energy infrastructure, safety, and reliability

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

1 Section 1. This act shall be known and may be cited as the "Utility
2 Profit Reinvestment and Rate Hike Ban Act".

3 § 2. Subdivision 12 of section 66 of the public service law is amended
4 by adding two new paragraphs (b-1) and (b-2) to read as follows:

5 (b-1) No change shall be made in any rate or charge, or in any form of
6 contract or agreement or any rule or regulation relating to any rate,
7 charge or service, which shall have been filed by a utility in compli-
8 ance with an order of the commission, if the utility filing the request
9 for the increase in rates or charges has above-average profits in the
10 fiscal year during which the request is filed compared to the average
11 profits over the immediately preceding previous three fiscal years. For
12 the purposes of this subdivision, "above-average profits" shall mean net
13 profits in excess of more than ten percent over the average of the net
14 profits during the three immediately preceding fiscal years.

15 (b-2) No change shall be made in any rate or charge, or in any form of
16 contract or agreement or any rule or regulation relating to any rate,
17 charge or service, which shall have been filed by a utility in compli-
18 ance with an order of the commission, if the utility filing the request
19 for the increase in rates or charges has failed to comply with the
20 provisions of section sixty-nine-b of this article.

21 § 3. The public service law is amended by adding two new sections 69-b
22 and 69-c to read as follows:

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

LBD13670-01-5

1 § 69-b. Use of revenues. 1. Each gas corporation and electric corpo-
2 ration shall reinvest a minimum of seventy-five percent of its annual
3 net profits from revenues received from service delivered in the state
4 in measures to improve and promote energy infrastructure, safety, and
5 reliability. Such measures shall include, but not be limited to:

- 6 (a) energy grid modernization and infrastructure upgrades;
7 (b) improvements in reliability and maintenance of infrastructure;
8 (c) clean energy transition; and
9 (d) safety improvements.

10 2. No gas corporation or electric corporation shall utilize revenues
11 received from the rendition of public service within the state for the
12 purpose of increasing dividends or authorizing stock buybacks in any
13 year the corporation petitions for a rate hike.

14 3. No gas corporation or electric corporation shall utilize net reven-
15 ues received as a result of an approved rate hike for the purpose of
16 shareholder profits, payment of dividends, or stock buybacks. All such
17 revenues shall be utilized for the purposes specified in subdivision one
18 of this section.

19 § 69-c. Use of revenue compliance reports. 1. On or before April thir-
20 tieth of each year, each gas corporation and each electric corporation
21 shall file with the commission a report disclosing the corporation's
22 gross profits and net profits, the amount of dividends paid over the
23 preceding fiscal year, the amount of executive compensation paid over
24 the preceding fiscal year, and the amount of net revenues reinvested in
25 infrastructure, safety, and reliability in accordance with subdivision
26 one of section sixty-nine-b of this article.

27 2. The commission shall review the reports to monitor each corpo-
28 ration's activities related to compliance with the provisions of section
29 sixty-nine-b of this article.

30 3. The commission may take any action to address and/or prevent a
31 deficiency in a corporation's prioritization or administration of its
32 infrastructure improvement projects or operation and maintenance activ-
33 ities related to safety, including ordering reasonable improvements that
34 will best promote the public interest, preserve the public health and
35 protect those using gas and electricity pursuant to those powers
36 provided to the commission as provided in this chapter, including but
37 not limited to those in sections sixty-six and sixty-nine-b of this
38 article.

39 4. The commission shall issue an annual report certifying the compli-
40 ance or noncompliance of each gas corporation and electric corporation
41 with the requirements of this section and of section sixty-nine-b of
42 this article and shall make such report available on its public website.

43 5. Any gas corporation or electric corporation that fails to comply
44 with the provisions of this section or that provides materially incor-
45 rect or inaccurate information related to the disclosures required by
46 subdivision one of this section shall be subject to a fine of one
47 hundred thousand dollars per each day of the failure, be required to
48 forfeit any revenues resulting from the corporation's failure to comply
49 with section sixty-nine-b of this article, and be prohibited from filing
50 an application for an increase in rates or costs with the commission for
51 a period not to exceed two years.

52 § 4. This act shall take effect immediately.