STATE OF NEW YORK

4532

2025-2026 Regular Sessions

IN SENATE

February 6, 2025

Introduced by Sen. GIANARIS -- 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 the power of the public service commission to require refunds of or reductions in rates for inadequate or interrupted electric or steam service

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

Section 1. Subdivision 20 of section 66 of the public service law, as added by chapter 394 of the laws of 1978, is amended to read as follows:

20. **(a)** Notwithstanding any general or special law, rule or regulation, the commission shall have the power to provide for the refund of any revenues received by any gas or electric corporation which cause the corporation to have revenues in the aggregate in excess of its authorized rate of return for a period of twelve months. The commission may initiate a proceeding with respect to such a refund after the conclusion of any such twelve month period.

(b) Notwithstanding any general or special law, rule or regulation, the commission shall impose prompt, meaningful rate refunds or reductions in instances where electric corporations fail to meet objectively measured service quality standards. Such refunds or reductions shall at a minimum equal five percent of the amount billed to a customer for the provision of electric service for a period of twelve months or such longer period as the commission may prescribe; provided, however, that the commission may prescribe a schedule setting forth both minimum and maximum amounts that a customer may receive in refunds or reductions.

(c) In addition to the provisions of paragraphs (a) and (b) of this subdivision, in every instance where electric service is interrupted due to a local distribution system failure lasting for twelve hours or more within a twenty-four hour period, the commission shall require an elec-

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

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tric corporation that distributes electricity in a city of one million or more to (1) reimburse customers for damages to or losses of property including, but not limited to perishable food items and medications, electrical equipment, computer equipment, air conditioning equipment, and other electronic equipment and instruments used by commercial establishments or residences; and (2) provide appropriate compensation to those commercial customers who have lost business as a result of the service interruption. Such compensation shall be based upon the average revenues earned by the business in similar time periods, or, for a new business, the average revenues earned by similar businesses in similar time periods. The commission may prescribe reasonable limits on the amount of reimbursement and compensation available to a customer; provided that such amounts shall not be less than five hundred dollars for losses of food and medications, one thousand dollars for damages to electrical equipment and instruments, and ten thousand dollars for lost business. Additional reimbursement and compensation in accordance with the preceding requirements shall be provided to each customer who remains without electricity for each additional forty-eight hour period that the service interruption continues. For the purposes of this paragraph, interruption of electric service shall be deemed to include reductions in voltage that damage electric equipment or render it functionally inoperable. The commission may provide for reasonable limitations on the aggregate amount of reimbursements and compensation, provided that any such limitations shall take into consideration the duration of the interruption and its impact on residential and commercial customers.

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

13. Notwithstanding any general or special law, rule or regulation, have power to impose prompt, meaningful rate refunds or reductions in instances where steam corporations fail to meet objectively measured service quality standards. Such refunds or reductions shall at a minimum equal five percent of the amount billed to a customer for the provision of service for a period of twelve months or such longer period as the commission may prescribe; provided, however, that the commission may prescribe a schedule setting forth both minimum and maximum amounts that a customer may receive in refunds or reductions. In addition, in every instance where service is interrupted for a period of forty-eight hours or such lesser period as the commission may determine, the commission shall require a steam corporation that provides service in a city of one million or more to reimburse customers for damages to or losses of property and to provide appropriate compensation to those commercial customers who have lost business as a result of the service interruption. Such compensation shall be based upon the average revenues earned by the business in similar time periods, or, for a new business, the average revenues earned by similar businesses in similar time periods. The commission may prescribe reasonable limits on the amount of reimbursement and compensation available to a customer; provided that such amounts shall not be less than five hundred dollars for losses of property and ten thousand dollars for lost business. Additional reimbursement and compensation in accordance with the preceding requirements shall be provided to each customer who remains without service for each additional forty-eight hour period, or lesser period as determined by the commission, that the service interruption continues. The commission may provide for reasonable limitations on the aggregate amount of reimbursements and compensation, provided that any such limitations

shall take into consideration the duration of the interruption and its impact on residential and commercial customers.

§ 3. On or before April 1, 2026, the public service commission shall review its existing policies and shall report to the governor, speaker of the assembly, the temporary president of the senate, the chair of the senate finance committee, the chair of the assembly ways and means committee, the chair of the assembly energy committee and the chair of the senate energy and telecommunications committee on whether additional legislation, regulations or other actions are needed to ensure that electric and steam corporations adequately reimburse and compensate their customers for losses due to service interruptions and other failures to provide safe and adequate service as required by the public service law.

§ 4. This act shall take effect on the one hundred eightieth day after it shall have become a law. Provided, that the public service commission is immediately authorized to take any and all actions, including but not limited to the promulgation of any necessary rules and the review of reimbursement and compensation policies, necessary to fully implement the provisions of this act on its effective date.