



NEW YORK STATE SENATOR

Iwen Chu

## Senator Iwen Chu and The Senate Majority Pass Legislation Protecting Ratepayers and Lowering the Costs of Utilities

IWEN CHU April 3, 2024



**(Southern Brooklyn, NY)** Recently, Senator Iwen Chu (SD-17) and the Senate Democratic Majority passed legislation to further protect ratepayers across New York State and lower the cost of their utility bills. This legislation builds on the work of Senator Chu and the Senate

Majority to support working families and fight New York's affordability crisis by prioritizing the interests of consumers, holding utility companies accountable, and increasing transparency within rate setting practices.

**Senator Iwen Chu** said, "Lowering the cost of utilities and ensuring that ratepayers are protected from unfair business practices is a priority for the entirety of our state, especially all the way down in my district of southern Brooklyn. I was proud to vote for legislation that would ease the burden on average consumers and also ensure that corporations can't get away with unfair rate hikes or convoluted billing practices. With this legislation, we will help guarantee that more working class families are not getting scammed out of their hard-earned dollars."

Brooklyn's main utility providers—National Grid and Con Edison—have faced growing scrutiny over the quality of service, level of responsiveness, and billing transparency, especially as they look to continuously raise rates. National Grid itself was the center of a 2021 downstate bribery

scheme where employees accepted payments to award maintenance contracts to Long Island, and

in 2022, Con Edison was blasted for sudden, unexplained increases that tripled some customers'

bills. Even still, the Public Service Commission (PSC) approved new rate hikes last year that had

New York City seeing an 8.7% increase on their electricity bill in 2023 alone.

With these bills, greater steps are being taken to protect customers from unscrupulous practices

and ensure that better services are being delivered at fairer, more transparent costs.

The legislation passed by the Senate Democratic Majority includes: **Utility Hikes Economic Impact:** This bill, S2432, sponsored by Senator Leroy Comrie,

would require the Public Service Commission to consider the economic impact of utility rates and charges when evaluating utilities' proposed rate changes.

**Accurate Meter Readings:** This bill, S1851B, sponsored by Senator Michelle Hinchey, directs utilities to file with the Public Service Commission a model procedure for calculating estimated utility bills and to use more actual meter readings.

**Home Energy Assistance Re-enrollment:** This bill, S2496, sponsored by Senator John Mannion, would require social services districts to automatically re-enroll eligible

persons or households for the low-income home energy assistance program (LIHEAP) if they remain eligible.

**Strengthen Utility Storm Response and Compliance:** This bill, S4882, sponsored by Senator Shelley Mayer would incentivize better regulatory compliance by utilities through increased flexibility for the Public Service Commission to assess penalties on utilities for violations of the Public Service Law, and to expand emergency response plan requirements.

**Utilities to Adopt the Common Equity Ratio:** This bill, S6557A, sponsored by Senator Shelley Mayer would require electric corporations, gas corporations, steam corporations and water-works corporations to use standardized return on equity calculations set by the Public Service Commission to prevent unjustifiable rate increases.

**Utility Late Payment Study:** This bill, S2623A, sponsored by Senator Kevin Parker, directs the Department of State and Public Service Commission to study and report upon disclosure by utilities to credit reporting agencies regarding late payments.

**Limits Fixed Charges:** This bill, S1303B, sponsored by Senator Kevin Parker, would direct the Department of Public Service to adjust each utility corporation's residential fixed charge upon such corporation's filing with the Department regarding rate schedule

amendments, to recover only the fixed costs and operation and maintenance expenses directly related to metering, billing, service connections and the provision of customer service.

**NY HEAT Act:** This bill, S2016B, sponsored by Senator Liz Krueger, aligns utility regulation with state climate justice and emission reduction targets; and repeals certain provisions of the Public Service Law relating to gas service and sale, including the 100-foot rule that obligates utilities to provide gas connections to residential ratepayers at no cost if the ratepayer lives within 100 feet of the main gas line.

**Civil Penalties for False Statements:** This bill, S6710, sponsored by Senator James Skoufis, would establish civil penalties for utilities that knowingly make false material statements to the Public Service Commission in relation to a rate-making proceeding.

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