



NEW YORK STATE SENATOR

Michelle Hinchey

## Hinchey Bill to End Estimated Billing Passes Unanimously in Senate Ratepayer Protection Package

MICHELLE HINCHEY January 27, 2025



**ALBANY, NY** – Legislation sponsored by Senator Michelle Hinchey to end inaccurate and unpredictable estimated billing by utility companies has passed the New York State Senate unanimously as part of a broader legislative package to protect ratepayers. The package advanced on Monday also includes legislation to establish affordable payment plan options for eligible utility customers, protect utility customers from service terminations and late fees during Public Service Commission (PSC) investigations of a utility company, and require the PSC to evaluate the economic implications of potential rate increases on utility customers before approval.

Despite the Governor's December 2024 veto, Hinchey has reintroduced her bill in the 2025 session and is advocating for its passage through the State Legislature, aiming to have it returned to the Governor's desk for reconsideration. The legislation ([S2182](#)) was originally introduced in 2021 as the first legislative action in New York to address the widespread estimated billing issues caused by the Central Hudson Gas and Electric Corporation. Estimated billing, which charges customers based on projected rather than actual energy use, has created financial and emotional hardship for thousands in the Hudson Valley, leading to unpredictable costs for residents and small businesses.

The bill requires utilities to use actual meter readings, except in unavoidable circumstances such as extreme weather, and directs the PSC to standardize how estimated bills are calculated statewide. For the first time, utility companies will need to submit their estimation formulas for PSC review. Hinchey's bill was formally adopted as part of the PSC's investigation into Central Hudson, which mandated monthly meter readings by October 2024 and resulted in a \$64.59 million settlement for prior billing failures. The legislation is needed to enforce statewide accountability and ensure consistent rules for all utility companies, protecting ratepayers in the Hudson Valley and across New York.

**Senator Michelle Hinchey** said, "Utilities should be treated as a public service—not a shareholder service. Yet, from the Hudson Valley to Queens to Buffalo, utility companies continue to prioritize their bottom line over the needs of the people they're meant to serve. I'm proud that my bill to ban estimated billing—a fight we've been carrying since 2021—is included in the Senate's ratepayer protection package. No one should have to question whether they can trust their utility bill, and this commonsense legislation was designed to deliver the stability New Yorkers deserve by requiring actual—not estimated or inflated—meter readings. The Senate's legislative package is an important step in our wider fight for change that will push utility companies serving the people of New York toward greater reliability, transparency, and cost-savings for ratepayers."

The Senate legislative package advanced today with Senator Hinchey's support includes the following bills:

- **Consumer Utility Protections During Investigations Act (S904):** This bill would protect utility customers from service terminations and overdue charges while the PSC investigates a utility company. In addition, it requires customers to be notified when an investigation is taking place.
- **Strengthening Utility Storm Response and Compliance (S1701):** This bill provides greater flexibility for the PSC to impose stronger penalties on utilities for violations of the Public Service Law that relate to storm response and compliance and expand emergency response plan requirements.
- **Limiting Fixed Charges on Utility Bills (S1329):** This bill aims to lower residential fixed charges on utility bills by ensuring that utility companies only charge for costs directly related to metering, billing, and service connection.
- **Requiring Utility Rate Impact Consideration by the PSC (S1847):** This bill requires the PSC to consider the economic impact of utility rates and charges when evaluating utilities' proposed rate changes.
- **Automatic Re-Enrollment for HEAP (S1966):** This bill requires social services districts to automatically re-enroll eligible individuals and households in the Low-Income Home Energy Assistance Program (HEAP) to help ease the administrative burden without requiring yearly reapplication.
- **Establishing Affordable Payment Plans (S1330):** This bill requires utility companies to establish a statewide program to provide eligible participants with affordable payment plans.

- **Requiring Minimum Standards for Fair Payment Plans (S1327):** This bill directs the PSC to set standards and eligibility requirements for utility companies to abide by to ensure affordable payment plans for eligible customers, making it easier for people struggling with their bills to pay over time.
- **Adopting the Common Equity Ratio (S1896):** This bill would require utility companies to use standardized return on equity calculations set by the PSC to help prevent unjustifiable rate increases.

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#### RELATED LEGISLATION

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### 2025-S2182

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- Introduced
  - In Committee Assembly
  - In Committee Senate
- ◦ On Floor Calendar Assembly
  - On Floor Calendar Senate

- ○ Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
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Permits the rendering of an estimated bill from a utility corporation or municipality under certain circumstances

January 15, 2025

In Assembly Committee

Sponsored by **Michelle Hinchey**

Do you support this bill?