



NEW YORK STATE SENATOR

James Skoufis

Skoufis Launches Senate Investigation into Skyrocketing Utility Bills

JAMES SKOUFIS March 4, 2022

| ISSUE: INVESTIGATIONS, UTILITIES, UTILITY BILLS, PUBLIC SERVICE COMMISSION, PUBLIC UTILITIES

| COMMITTEE: INVESTIGATIONS AND GOVERNMENT OPERATIONS



Senator James Skoufis (D-Hudson Valley) gathered with local residents and the Public Utility Law Project (PULP) at a constituent's home in New Windsor on Friday to announce the **Senate Committee on Investigations & Government Operations**, which Skoufis chairs, has opened a formal investigation into the outrageous surge pricing and billing practices of utility companies and power producers. Document and information requests will soon be sent to

Central Hudson, Orange & Rockland, ConEd, power suppliers, and state stakeholders, under threat of subpoena.

As energy prices skyrocket for consumers in the Hudson Valley and around the state, many residents already reeling from pandemic-related financial hardship have been shell shocked to see their power and heating bills double or even triple. For Central Hudson customers, recent price hikes are salt in a months-long wound: in August 2021, Central Hudson poorly implemented a new billing system, leading to over-billing, under-billing, or a total lack of bills altogether for thousands of customers. Impacted customers received no warning and no support when attempting to set their records straight, and many saw auto-drafts from their checking accounts in the thousands or tens of thousands of dollars without notice.

As of December, PULP estimated that roughly 12% of all Central Hudson customers were behind on their bills by 60 days or more. With surge pricing and rate hikes taking effect in recent months, the current number of delinquent utility accounts is likely much higher.

q

“This isn’t a matter of New Yorkers needing to tighten their belts and unplug the coffee maker once in a while,” said Senator Skoufis. “Folks on fixed incomes – seniors, parents, disabled New Yorkers, single-income households – are being robbed blind and it has to stop. \$2,600 to keep a small home warm? \$1,400 to power a small 2-bedroom apartment? That’s a disgrace. It’s unsustainable, and we can’t let these utilities run roughshod over our wallets without asking the tough questions.”

“I seriously doubt these companies did all they could to prepare consumers for these price spikes,” added Skoufis. “Can they honestly say they didn’t see this coming? Can they honestly say they did everything in their power to assist and support customers in this time of need? Absolutely not. If there was any foul play here, we owe it to constituents to expose that

wrongdoing, hold bad actors accountable, and ensure it never happens again.”

In addition to surge pricing and billing system errors, areas of focus for the Senate’s investigation will include the state’s action - or lack thereof - as utility regulators, and the poor communication between utilities and ratepayers.

Longtime New Windsor resident and Central Hudson customer **Vivian Milczarski** was among the ratepayers who saw their household billing turned upside-down after the company changed systems last summer. In November, Ms. Milczarski, a widow working both a full- and part-time job who is conscious of her energy consumption, received a bill from Central Hudson that was ten times the norm. After pleading her case for months with the company, all while receiving mounting and competing bills for her modest home, she reached out to Senator Skoufis’ office for assistance. Ms. Milczarski finally received an adjusted bill in January.

"As a single-income household, my months-long billing saga has been a really frustrating experience, as I'm sure has been the case for countless others," said **New Windsor resident Vivian Milczarski**. "Rather than getting out ahead of their myriad issues, Central Hudson has put the burden on its consumers to correct glitches in their billing systems. And with ongoing rate hikes, consumers are more at the mercy of their utility companies than they've ever been. We need answers, and I am grateful that Senator Skoufis is standing with us to demand them."

“Hudson Valley consumers already pay too much for energy, and in times like these—when one in five New Yorkers are behind on their energy bills—the ‘rate surge’ has put additional, unneeded stress on the budgets of struggling households in our communities, and across the State,” said **Public Utility Law Project of New York Executive Director Richard Berkley**. “For

Central Hudson's customers especially, these poorly communicated surprise bill increases follow major information technology issues, which has hampered the utility's ability to provide accurate and timely billing information to its ratepayers since September of 2021. We applaud Senator Skoufis for launching an investigation into the practices of these utilities and look forward to partnering with his office on the matter."

For many, the choice to keep a house heated in the dead of winter may mean missing rent or a mortgage payment. Senator Skoufis, PULP, and a group of Mid-Hudson Valley Senators are teaming up to host an informational virtual utility rights forum on Thursday, March 10, at 6:00pm. Customers worried about paying their next bill or keeping their home warm during these cold winter months are urged to sign up at bit.ly/utilityrights to learn more about what steps can be taken to lessen consumers' financial burden.