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GOVERNOR KATHY HOCHUL

**GOVERNOR HOCHUL ANNOUNCES \$672 MILLION ELECTRIC AND GAS UTILITY
BILL RELIEF FOR NEW YORKERS**

***One-Time Bill Credit Available to Help More Than 534,000 New Yorkers Pay Utility
Bills***

Largest Utility Customer Financial Assistance Program in State History

Governor Kathy Hochul announced today that 478,000 residential customers and 56,000 small businesses in New York State will receive assistance totaling \$672 million to pay off unaffordable past due utility bills. Today's announcement is the largest utility customer financial assistance program in state history and follows a series of policies announced last week to address energy affordability and emissions reductions as part of Governor Hochul's State of the State address.

"Every New Yorker deserves affordable energy, yet too many New Yorkers are at risk of having their lights turned off due to financial problems caused by the pandemic," **Governor Hochul said.** "Earlier this month, I laid out extensive proposals to make energy more affordable in my State of the State address, and with this historic electric and gas utility relief we're achieving another major milestone to help New Yorkers stay warm during the cold winter months."

The debt-forgiveness program approved today by the New York State Public Service Commission (PSC) will provide financial relief to customers and will help avoid huge statewide termination of service, making utility bills more affordable for all households and small businesses. These one-time credits provide relief to all residential non-low-income customers and small-commercial customers for the period through May 1, 2022, similar to a program approved last summer for low-income customers.

Earlier this month, Governor Hochul announced ambitious and comprehensive policies to address energy affordability and reduce climate-altering emissions from every sector of the economy as part of the 2023 State of the State. Governor Hochul directed the Department of Environmental Conservation and New York State Energy Research and Development Authority to advance an economywide Cap-and-Invest Program that establishes a declining cap on greenhouse gas emissions, invests in programs that drive emissions reductions, and maintains competitiveness of New York industries.

Critically, this Cap-and-Invest Program will drive significant benefits to New Yorkers in the form of a Climate Action Rebate.

Governor Hochul also announced \$200 million in relief for high electric bills by providing a discount to more than 800,000 New Yorkers making under \$75,000 who have not been eligible for the State's current utility discount program, a new initiative that is separate from today's \$672 million announcement. In addition, Governor Hochul announced the creation of the Energy Affordability Guarantee, the first-in-the nation pilot program that ensures low-income New Yorkers participating in the EmPower Plus program never pay more than 6 percent of their incomes on electricity and incentivizes them to fully electrify their homes.

In today's groundbreaking decision, the PSC approved recommendations made by the Energy Affordability Policy Working Group, a group of stakeholders that included the most prominent consumer advocacy groups in the state. The working group proposed a statewide program to resolve all arrears through May 1, 2022, of approximately 75 percent of residential non-low-income and small business customers, and partially resolve arrears for approximately 25 percent of remaining customers via a one-time credit. The financial cost to New Yorkers of adopting the arrears relief program is less than the estimated \$1 billion to \$1.3 billion cost of inaction, and it will also potentially avoid a significant amount of downgrading of customers' credit. The automatic credit is limited by an 'up to' monetary cap for each utility. This second phase would also allow residential non-low-income customers who previously had their service terminated in 2022 for non-payment to participate, so that their eligible arrears might be resolved.

This is the second round of major funding to be provided to consumers to offset utility bill arrears that accumulated due to the COVID-19 pandemic since Governor Hochul announced \$567 million in June 2022 to help low-income electric and gas utility customers pay off past utility bills. This included debt relief available to low-income customers from the State Office of Temporary and Disability Assistance's Emergency Rental Assistance Program to reduce unpaid utility bills is coupled with \$250 million from a New York State budget appropriation to eliminate pandemic-related unpaid utility bills for low-income households.

In the June round of bill relief, utility shareholders provided more than \$36 million in contributions to benefit customers. In today's round of bill relief, utility shareholders provided an \$101 million to benefit customers — an amount that far exceeds any utility contributions for pandemic relief across the United States.

The COVID-19 pandemic caused significant financial hardship to customers and resulted in the shuttering of businesses and widespread loss of jobs statewide. Unpaid consumer and small business utility debts have risen considerably since March 2020 and are beyond the ability of most impacted New Yorkers to pay.

In addition to Commission staff and the major utilities — Con Edison, Central Hudson Gas & Electric, National Grid, New York State Electric & Gas, Orange & Rockland, and Rochester Gas & Electric — stakeholders in the working group include the City of New York, the Alliance for a Green Economy, the Public Utility Law Project of New York, Inc., Citizens for Local Power, the Long Island Progressive Coalition, the Utility Intervention

Unit of the Department of State, AARP New York, the Binghamton Regional Sustainability Coalition, and the State Office of Temporary and Disability Assistance.

Public Service Commission Chair Rory M. Christian said, "Throughout these challenging times, Governor Hochul has been steadfast in her drive to help consumers. To address this major problem, the PSC has approved measures to strengthen and improve utility energy affordability programs to reduce consumer energy burden and address low-income customer needs."

Office of Temporary and Disability Assistance Commissioner Daniel W. Tietz said, "This innovative and collaborative approach is critical to helping hundreds of thousands of additional New Yorkers who fell behind on their utility bills during the pandemic to reduce or eliminate these arrears. Governor Hochul and the Department of Public Service recognized the glaring need and the potential costs of inaction by focusing on an approach that provides substantial help to many affected households across the state."

New York State Department of State Secretary of State Robert Rodriguez for UIU said, "New Yorkers work hard and deserve a helping hand when unforeseen circumstances like the COVID-19 pandemic crushes their budgets. I commend Governor Hochul for her unwavering commitment to help hundreds of thousands of residents and businesses in need. Today's announcement, the largest utility customer financial assistance program in the state's history builds on previously provided funding to offset the financial hardship caused by the Covid-19 pandemic. This assistance is an integral support in New York State's continued recovery and serves to provide hope and reenergize affected households, businesses, and communities."

AARP New York State Director Beth Finkel said, "We commend the leadership of Governor Hochul and the work of the Public Service Commission on this order providing relief to so many utility customers, including older New Yorkers, who have been struggling to pay their mounting utility debt since the start of the pandemic. AARP will continue to work with the Governor, the PSC and the legislature to ensure New York ratepayers have affordable energy services."

Public Utility Law Project Executive Director and Counsel Laurie Wheelock said, "The first phase of utility debt relief was a tremendous success for New York State's EAP identified low-income residential customers, but hundreds of thousands of fixed- and moderate-income ratepayers also needed help with their electric and gas bills. Inaction was simply not an option, and today's historic Commission order takes monumental steps forward to providing much needed financial relief, while also protecting nearly 500,000 residential households from utility shutoffs during the coldest months of winter. PULP thanks Governor Hochul, the Public Service Commission, and all of the stakeholders in the Energy Affordability Working Group for their commitment to addressing energy debt from the pandemic."

The just-approved relief will result in an increase of only 0.5 percent on the average customer's total bill, an increase that will end in one to four years for most of the state, depending on the utility and the amount of existing arrears. Importantly, the relief program will successfully avert potential service terminations for more than 478,000

residential and 56,000 small commercial customers and help potentially help avoid bankruptcies for many small businesses.

Meanwhile, the Long Island Power Authority (LIPA) and its service provider, PSEG Long Island, participated actively in the Energy Affordability Policy Working Group and previously provided arrears relief to low-income households as recommended by the Working Group in the first phase of the arrears relief program. LIPA and PSEG Long Island are also planning to implement the second phase, announced today, providing one-time arrears relief credits to other residential and small commercial customers as per the Working Group's recommendations. LIPA plans to discuss the program at its February Board of Trustees meeting.

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