



Consumer Protections in New York State

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Base Level of Service Protections

- The Home Energy Fair Practices Act and the Energy Consumer Protection Act (HEFPA)
 - Enacted in 1981
 - *State policy established -- the continued provision of gas, electric and steam service to residential customers without unreasonable qualifications or lengthy delays is necessary for the preservation of the health and general welfare and is in the public interest*
 - Provisions cover elements of basic service to residential customers
 - Protections for special populations
 - *Medical emergencies*
 - *Life support*
 - *Elderly, blind or disabled*
 - *Low-income*
- The Energy Consumer Protection Act of 2002
 - Amended HEFPA to include Energy Service Companies

Base Level of Service Protections

- Applications for Service
 - Utility must provide service unless a customer owes money on a prior account in their name
 - Application may be oral or written under certain circumstances (ex – service at the premises terminated for non-payment; evidence of meter tampering, or theft of service)
 - Utility must provide service within 5 business days of application unless
 - *Prevented by strikes or law, or precluded by public safety or by physical impediments (snowstorm, blizzard, ice storm)*
 - *Applicant fails to pay, or agree in writing to pay, costs associated with line extensions*
 - *Applicant directs a later start date*

Base Level of Service Protections

- Applications for Service (continued)
 - Utility must provide service to an applicant in arrears if
 - *Applicant pays in full for residential service to a prior account in his/her name; or*
 - *Agrees to pay such charges in a written deferred payment agreement; or*
 - *Any unpaid charges are disputed in a pending PSC complaint proceeding; or*
 - *The utility receives a payment or promise of payment from the local NYS Department of Social Services*
 - A Utility denying an application, within 3 days of the application, must provide
 - *Notice, in writing, stating the reason for the denial and the steps needed to qualify for service (ex – agree to a deferred payment agreement to pay arrears)*

Base Level of Service Protections

- Termination of Service

- A utility may terminate or disconnect residential service if

- *A customer fails to pay charges for service rendered at any time during the preceding 12 months; or*
 - *Fails to pay amounts due under a deferred payment agreement; or*
 - *Fails to pay, or agree in writing to pay, equipment and installation charges related to the initiation of service; or*
 - *Fails to pay a lawfully required deposit*

and is sent a final termination notice or disconnection no less than 15 days before the termination or disconnection date on the notice

Base Level of Service Protections

- Final Notice Must Clearly State
 - Earliest date termination/disconnection may occur
 - Reasons for termination/disconnection, including total amount required to be paid and how the termination or disconnection may be avoided
 - Address and phone number of the utility
 - Availability of utility procedures for handling complaints
 - Summary of protections available

Base Level of Service Protections

- Termination Notice Must State
 - This is a final termination (or disconnection) notice. Please refer to this notice when paying this bill
- Termination/Disconnection Notice – Time
 - No termination or disconnection until at least 15 days after a final notice of termination or disconnection has been served personally on the residential customer; or has been mailed to the residential customer at the premises where service is rendered (or at an alternative address previously provided in writing to the utility)

Base Level of Service Protections

- Termination/Disconnection Notice – Time (continued)
 - A utility may not issue or send a final notice of termination or disconnection unless at least 20 days have elapsed from the date payment was due
 - Allowed hours for termination/disconnection of service: only between 8 am and 4 pm, Monday through Thursday, EXCLUDING
 - *Holidays*
 - *The day before a holiday*
 - *The two-week period encompassing Christmas and New Year's Day*

Base Level of Service Protections

- Deferred Payment Agreements
 - A written agreement for the payment of outstanding charges over a specific period of time
 - Signed by both the utility and the customer or applicant
 - “Standard” Deferred Payment Agreement (DPA)
 - Down Payment: *The greater of up to 15% of amount covered by the DPA or 50% of one month’s average usage*
 - Monthly Arrearage Payment: *The greater of up to 50% of one month’s average usage or 10% of the balance due (arrears minus down payment)*
 - *Obligates customer to make timely payment of current charges along with payment of arrears during duration of agreement*

Base Level of Service Protections

- Deferred Payment Agreements (continued)
 - “Minimum” Deferred Payment Agreement
 - *Down Payment: May be as low as \$0 per month*
 - *Arrearage Payment: May be as low as \$10 per month*
 - *Obligates customer to make timely payment of current charges together with payment of arrears during duration of agreement*
 - If customer defaults on a Deferred Payment Agreement
 - *At least 8 days prior to the day a final Notice of Termination will be sent, the utility must send a reminder notice which must advise the customer that the utility will amend a non-minimum deferred payment agreement, if the customer had a significant change in financial circumstances*
 - *Upon default, the utility may demand full payment and issue a new final Notice of Termination*
 - *New final Notice of Termination must comply with termination regulations*

Base Level of Service Protections

- Deposit Requirements
 - No utility may require a deposit from a new residential customer as a condition for the receipt of service, EXCEPT for a
 - Seasonal or short-term customer
 - ❖ *Seasonal customers are those who seek such service on an intermittent basis for one year or less*
 - ❖ *Short-term customers are those who seek service for one year or less*
 - No utility can require a deposit of a current customer EXCEPT for a
 - *Customer who is delinquent*
 - ❖ *2 consecutive months or arrears without making reasonable payment of one half of the total arrears OR*
 - ❖ *had utility service terminated during proceeding 6 months*
 - *Utility must provide notice 20 days before assessing the deposit*
 - *Deposits may be paid in installments over a period of up to 12 months*

Base Level of Service Protections

- Deposit Requirements (continued)
 - Deposit Amount
 - *Not greater than twice the average monthly bill for a calendar year*
 - *Or not greater than twice the monthly heating season bill, if gas or electric space heaters are used*
 - If customer is not delinquent for 12 months, the deposit is returned
 - Deposits may not be sought from
 - *Customers 62 or older who have not been terminated for non-payment within the last 6 months*
 - *Recipients of public assistance, Social Security, or additional state payments*
 - ❖ *Excluding Home Energy Assistance Program participants*

Additional Service Protections

- Protections for Special Populations
 - Medical Emergencies
 - Life Support Customers
 - Elderly, Blind and Disabled
 - Low-Income Customers

Additional Service Protections

- **Medical Emergencies**
 - Medical emergency involves a serious illness or medical condition that severely affects well-being as certified by a medical doctor or local board of health
 - Certification maintains or restores service for 30 days
 - Customer remains liable for service during the emergency period
 - Certification may be renewed if customer demonstrates inability to pay
- **Life Support Customers**
 - Certification (by doctor or local board of health) based on life support system will remain effective until terminated by the PSC
 - Inability to pay must be demonstrated quarterly
 - Appropriate identification placed on meters

Additional Service Protections

- Elderly, Blind and Disabled
 - Where customer is known to be blind, disabled, or 62 or older
 - And all remaining residents of household are 62 or older, or 18 years or younger, or blind, or disabled
 - A utility may not terminate or refuse to restore service UNLESS
 - *Contact by utility is attempted at least 72 hours prior to termination to develop a plan to preclude termination and pay charges*
 - *If no plan, the utility must notify the local Department of Social Services and provide service for at least 15 days*
 - *Same process if utility is made aware of a customer's status after termination when an effort must be made within 24 hours*
 - *Post-termination, the utility must follow up contact by phone or in person*

Additional Service Protections

- Other protections for Elderly
 - No security deposits unless service was terminated within last 6 months
 - Budget plan for quarterly billing
- Cold Weather Rules (from November 1 to April 15)
 - Every utility will identify and maintain a list of households receiving heat-related service
 - Utility must determine whether termination will result in “serious impairment to health or safety”
 - No termination if a resident is likely to suffer a serious impairment to health or safety unless:
 - *Utility notifies the local Department of Social Services (DSS) orally and in writing within 5 days and the local DSS notifies the utility of “no danger”*
OR
 - *No oral or written reply from the local DSS within 15 days of written notice*