



## Public Service Commission

**For Immediate Release:** 04/19/22

Rory M. Christian, Chair

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**22038/22-M-0159**

### **Comments Sought on Implementing Customer Credits and Reimbursements to Compensate Customers Who Experienced Prolonged Electric Outages**

**ALBANY** — The New York State Public Service Commission (Commission) today announced that it was seeking comments regarding a Department of Public Service (DPS) staff proposal regarding the requirements and procedures for electric and gas utilities to compensate customers who have experienced widespread prolonged service outages. Comments are due May 20, 2022.

Staff's proposal was issued in response to a newly enacted provision of the Public Service Law effective April 21, 2022, that requires the Commission to promulgate procedures, standards, methodologies, and rules, and define specific terms, including widespread prolonged outage, small business customer, and proof of loss.

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When Tropical Storm Isaias tore through New York in August of 2020, it left behind a wake of downed trees and power lines resulting in hundreds of thousands of customers without power. A state of emergency was declared in Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk and Westchester counties. After the first week, 35,000 customers in the State were still without power, causing a significant disruption to customer's daily routines, combined with the financial loss of spoiled food and medication.

Con Edison, NYSEG, and Orange and Rockland reimbursed customers for food and prescription medicine spoilage when they lost power for at least two consecutive days or more during tropical Storm Isaias, and PSEG LI reimbursed customers for food and

prescription medicine spoilage when they lost power for at least three consecutive days or more during tropical Storm Isaias.

The new law requires utilities to provide residential customers:

1. A bill credit of \$25 for each 24-hour period of service outage that occurs for more than 72 consecutive hours after an emergency;
2. Reimbursement of up to \$235 if the residential customer provides an itemized list, or up to \$540 if the customer provides proof of loss, for any food that spoils due to a service outage that lasts longer than 72 consecutive hours after an emergency event; and
3. Reimbursement for prescription medications that have spoiled up to the amount of the actual loss.

Further, it requires that utilities reimburse small business customers for food spoilage up to \$540 if they provide an itemized list and a documentation of losses.

Both residential and small-business customers are to provide the utility with itemized lists and/or proof of loss within 14 days of the outage, and the utilities are to provide reimbursement within 30 days of receipt, or within a time-period determined by the Commission if the utility seeks a waiver of the credit or reimbursement. Any costs incurred by the utility in compliance with this new section of the Public Service Law are not recoverable from ratepayers.

Municipal utilities are not required to comply since the costs should not be recoverable from ratepayers. If applicable to municipalities, the costs could be passed back on to ratepayers as, unlike investor-owned utilities, municipal utilities have no shareholders to be responsible for the costs. The Long Island Power Authority board will be considering the issue separately.

Utilities may petition the Commission for a waiver of the credits/reimbursement requirements of this provision within 14 days after the occurrence of the emergency event. The utility must demonstrate that granting the waiver is fair, reasonable, and in the public interest. Interested persons and entities should submit initial comments by May 20, 2022. Reply comments are due by June 13, 2022. The proposal may be found [here](#).

#### **Ways to Comment:**

There are several other ways to provide your comments. Comments should refer to 22-M-0159.

**Internet or Mail:** Go to [www.dps.ny.gov](http://www.dps.ny.gov), then click on “Search” and enter 22-M-0159 in the “Search by Case Number” field, and then click on “Post Comments” at the top right of the page or send comments by email to the Secretary to the Commission at [secretary@dps.ny.gov](mailto:secretary@dps.ny.gov).

Alternatively, comments may be mailed to the Hon. Michelle L. Phillips, Secretary, New York State Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350. All written comments will become part of the record considered by the Commission and may be accessed on the Department of Public Service website by searching the case number, as described above, and clicking on the “Public Comments” tab.

**Toll-Free Opinion Line:** You may call the Opinion Line at 1-800-335-2120. This number is set up to take comments about pending cases from in-State callers, 24-hours a day. These comments are not transcribed verbatim, but a summary is provided to the Commission. All submitted comments should refer to Case 22-M-0159. Although comments will be accepted throughout the pendency of this case, to ensure timely consideration by the parties, public comments are requested by May 20, 2022. The Commission is also considering holding virtual public statement hearings. If hearings are to be held, the dates and times will be announced. The full text and record of the proceeding may be reviewed online at the Department of Public Service web page: [www.dps.ny.gov](http://www.dps.ny.gov). The Commission may adopt, reject, or modify, in whole or in part, the action proposed and may resolve related matters.