



For Immediate Release: 10/18/18

John B. Rhodes, Chair

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov>

<http://twitter.com/NYSDPS>

18090/17-E-0238; 17-G-0239

PSC Helps Financially Struggling National Grid Customers — New Payment Process Helps Customers Facing Problems with Utility Bill —

ALBANY — The New York State Public Service Commission (Commission) today approved National Grid’s proposal to implement an electronic deferred-payment agreement program. The upstate electric and gas utility will be allowed to offer electronic deferred-payment agreements to residential electric and gas customers who might be struggling to pay their utility bill. Utilities are required to offer deferred-payment agreements to residential customers to allow for repayment of arrears over time. By allowing the utility to offer electronic deferred-payment agreements, National Grid will be able to provide greater access to the program, while maintaining compliance with state consumer protection laws and the Home Energy Fair Practices Act, or HEFPA.

“Customer expectations have changed during the past several decades, as they increasingly conduct business transactions electronically,” **said Commission Chair John B. Rhodes.** “Customers often prefer streamlined, convenient and prompt services in all aspects of their lives. Technology such as the electronic DPA can deliver on these customers’ expectations. An electronic DPA process will help maintain continuous service, which is in the public interest.”

The Commission requires all utilities to offer such agreements to residential customers to allow for the repayment of arrears over time. These agreements allow residential customers with arrears to avoid service disconnection or to restore service by establishing reasonable payment terms. These agreements are required to be made available to customers, with limited exceptions, in situations where the utility notifies the customer of its intent to disconnect, or has disconnected service, due to nonpayment.

Deferred payment agreements allow residential customers with arrears to avoid service disconnection or to restore service by establishing reasonable payment terms. These agreements are required to be made available to customers, with limited exceptions, in situations where the utility notifies the customer of its intent to disconnect, or has disconnected service, due to nonpayment.

National Grid will be the second utility in the state to offer electronic deferred payment agreements; other utilities are expected to follow suit shortly. National Grid currently has approximately 55,340 customers who are benefitting from a deferred-payment agreement, or DPA, representing 3.7 percent of their overall upstate residential customer base.

A standard DPA in New York State typically requires a down payment up to 15 percent of the amount covered by the payment agreement; and monthly installments of one tenth of the balance. If the

customer is unable to, or does not, agree to pay under the standard payment agreement terms, the customer may be required to complete a financial statement form so that National Grid can determine if an alternative agreement should be provided, and the appropriate terms of that agreement.

While remaining consistent with the requirements of HEFPA, an electronic DPA provides customers with an additional option and permits them to enter into legally valid DPAs with an electronic signature. This option grants customers the opportunity to avoid disconnections, potential delays in restoring service, and other unnecessary hardships. The electronic DPA can provide additional convenience for customers, and for those who prefer to sign electronically, its adoption will expedite and streamline the process. At the same time, customers retain the option of executing a paper DPA.

Electronic DPAs are a reasonable approach to providing customers with an additional option that enables them to enter into a legally valid DPA via an electronic signature. The implementation of an electronic DPA process will enable National Grid to achieve greater success in executing DPAs and provide greater ease of access to its customers, while maintaining compliance with HEFPA.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Numbers 17-E-0238 or 17-G-0239 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.