



**For Immediate Release:** 06/02/15

Audrey Zibelman, Chair

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**15040/14-M-0565**

**PSC Looks to Strengthen, Improve Utility Assistance for Low-Income Families  
— Plan Proposes Ways to Make Energy More Affordable for Financially Struggling  
Customers —**

**ALBANY** — The Office of the Consumer Advocate has issued a proposed plan to reduce the energy burden for low-income utility customers across New York State. At the direction of the New York State Public Service Commission, the proceeding complements Governor Andrew M. Cuomo's Reforming the Energy Vision (REV) initiative, a comprehensive strategy to build a clean, resilient, and affordable energy system for all New Yorkers. The creation of the Office of Consumer Advocate was recommended by Governor Cuomo in January.

"On average, New Yorkers' total energy bills as a percentage of income are below the national average, however, low-income households struggle to pay energy bills," said Commission Chair Audrey Zibelman. "The grim reality of the situation is very troubling: more than 1 million residential customers are more than 60 days in arrears, owing nearly \$800 million to utilities; and over the past year, nearly 300,000 residential customers had utility service disconnected for non-payment, with low-income customers experiencing a disproportionately high amount of these arrears and service terminations for non-payment."

"While middle and higher-income customers experience energy costs in the general area of one to five percent of income, lower-income customers experience energy costs in the general area of 10 to 20 percent of income, and even higher," said Consumer Advocate Michael Corso. "The most vulnerable – made up of some 1.1 million New York households at or below the federal poverty level – have home energy bills that amount to 22 percent of their annual income or more. To improve energy affordability for low-income utility customers, my office proposes a standard statewide approach that sets a goal to reduce the energy burden for low-income customers to 6 percent of their income, a far lower number than what many low-income families currently pay."

All utilities currently offer low-income discounts. Each utility, however, has its own low-income program, and these programs are not necessarily based on a single policy objective. In January, the Commission directed the Consumer Advocate to conduct a thorough review of utility low-income discount programs, to identify best practices, and to develop a set of recommendations for how best to optimize the implementation of the programs.

The report issued for public comment recommends a new statewide approach to utility low-income programs that addresses each of the basic elements of program design and implementation, including defining eligibility, enrollment processes, benefit structures and discount levels provided, as well as program budgeting and cost recovery.

The proposed program will be strengthened and complemented by the State's multiple efforts under REV to deliver energy efficiency and distributed energy resources, including solar, to low- and moderate-income customers. The overall goal of these initiatives is to reduce costs to all consumers, including low-income.

The recommendations and suggestions put forth in staff's proposal were informed by comments received from numerous stakeholders, including low-income advocates such as the American Association of Retired Persons, the Public Utility Law Project of New York, Inc., the Alliance for a Green Economy and the Citizens Environmental Coalition, the Association for Energy Affordability, and the Department of State's Utility Intervention Unit, as well as all of the major utilities. Stakeholders agree that an energy affordability program is necessary for low-income customers, and that it should consist of streamlined programs and best practices statewide to reduce terminations and collection costs among that critical customer segment.

The proposed plan that was issued and a notice seeking comment may be obtained by going to the Commission Documents section of the Commission's Web site at [www.dps.ny.gov](http://www.dps.ny.gov) and entering Case Number 14-M-0565 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.