

STATE OF NEW YORK

Public Service Commission

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POSSIBLE SUBMETERING CHANGES AHEAD

— Commission Seeks Comment on Changes to Electric Submetering Regulations —

Albany, NY—01/19/12 —The New York State Public Service Commission (Commission) today decided to solicit comments on revised regulations governing residential electric submetering, a system that allows a landlord, property management firm, condominium association, homeowners association, or other multi-tenant property owner to bill tenants for individual measured electric usage.

The Commission has long-favored metering of individual dwelling units to promote energy efficiency and equity. Tenants in master-metered buildings that are not submetered do not pay for electricity based on a measurement of actual use in their apartment; instead, average electric charges are included as a component of their rent. As a result, tenants using relatively small amounts of electricity could pay proportionately more for the electricity while also subsidizing those using relatively larger amounts of electricity. In addition, tenants who make adjustments in their living patterns to reduce consumption and save energy see no benefit from this in their monthly rent.

With metering of individual dwelling units, electricity consumers pay bills based on their actual consumption. This establishes an incentive for the efficient use of electricity, provides a tool for consumers to manage their energy usage and bills, and furthers the State's energy efficiency goals. Submetering regulations were last revised in 1988.

The proposed changes to the regulations for which the Commission is seeking comments include requiring that individual units in multi-unit new construction and substantially renovated premises be directly metered by the utility unless a petition demonstrates that master metering with submetering is necessary for on-site co-generation, demand-response programs or alternative, advanced energy efficiency initiatives.

The proposed regulations will also streamline the review of requests to submeter, so that in most situations, requests will be reviewed by staff and subsequently confirmed by an abbreviated Commission order. In addition, current requirements that assisted living and senior living facilities obtain a waiver of individual metering requirements will be eliminated, simplifying the development of housing in which a balance of assistance and independence is sought.

Furthermore, a case-by-case review of requests to submeter, accompanied by a comprehensive Commission order, will be conducted in situations in which electric heat is included in rent, or when a petitioner elects to submeter in lieu of direct metering in new construction. Electric heated buildings must show that a substantial majority of the tenants will benefit or be unharmed financially as a result of submetering. Landlords must also install programmable thermostats in such buildings.

Any person wishing to comment may do so no later than March 24, 2012. Comments should be submitted electronically to the Secretary at Secretary@dps.ny.gov. Those unable to submit electronically may mail or deliver them to Hon. Jaclyn A. Brillling, Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York, 12223-1350.

A copy of the proposed regulations, when issued, may be obtained by going to the Commission's website at www.dps.ny.gov and entering Case Number 11-M-0710 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).