GOVERNOR HOCHUL ANNOUNCES ELECTRIC AND GAS UTILITY BILL CREDIT PROGRAM FOR LOW-INCOME FAMILIES

$567 Million Made Available to Help Low-Income Customers Pay Off Past Utility Bills

More Than 327,000 Low-Income New York Households to Directly Benefit

Bill Reduction Plan Wins Broad Support from Consumer Groups and Other Stakeholders

Governor Kathy Hochul announced today that a total of $567 million is available to help low-income electric and gas utility customers pay off past utility bills. The financial assistance program includes an estimated $557 million statewide COVID-19 bill credit program for low-income customers adopted today by the New York State Public Service Commission. Under the bill credit program, the PSC is leveraging the $250 million from the FY 2023 Enacted State Budget to require utilities to provide a one-time credit to customers enrolled in the Energy Affordability Program that will eliminate unpaid utility bills that have accrued through May 1, 2022. The program also authorizes the same relief for any eligible low-income customers that enroll in EAP by December 31, 2022.

"It's unacceptable that far too many New Yorkers are at risk of having their lights shut off for failure to pay their utility bills due to financial problems caused by the pandemic," Governor Hochul said. "To address this, I partnered with the State Legislature to appropriate $250 million toward reducing the burden of utility arrears. Today's action by the Public Service Commission builds on the budget appropriation and is a major step forward to help vulnerable New Yorkers maintain their utility services while they get back on their feet."

The COVID-19 pandemic caused significant financial hardship to low-income customers and resulted in the shutting of businesses and widespread loss of jobs. The number of customers that have unpaid utility bills and the total dollar amount of unpaid utility bills has risen considerably since the beginning of the pandemic in March 2020, and this bill credit program provides financial relief to the most vulnerable residential customers in order to help them avoid having their utility services terminated for non-payment. More than 327,000 low-income New York households will directly benefit from the program.

Under the bill credit program, all State assistance available for utility bill assistance will be coordinated to ensure maximum benefits to ratepayers and to avoid duplication of efforts.
This includes relief available to low-income customers from the State Office of Temporary and Disability Assistance’s Emergency Rental Assistance Program to reduce unpaid utility bills, estimated at $100 million, coupled with $250 million from the New York State budget appropriation directed to utilities to eliminate pandemic-related unpaid utility bills for low-income households. Utility shareholders have provided more than $36 million in contributions to benefit ratepayers. The bill credit program is estimated to cost the major utility ratepayers $181 million after they are allocated their share of the budget appropriation, and customer credits and shareholder contributions that reduce the program cost are applied.

This one-time, low-income utility bill credit, which will be applied to affected customers' bills by the utilities, requires no action by existing low-income customers enrolled in the EAP to receive the benefit. The bill credit is expected to be applied to customers' accounts by August 1, 2022. PSEG Long Island and the municipal utilities have been allocated $10.4 million of the $250 million appropriated in the budget to be used for the bill credit program for low-income customers. The PSC anticipates a future proposal by consumer groups and stakeholders to address the substantial increase in unpaid electric and gas utility bills for remaining residential and non-residential customers resulting from the COVID-19 pandemic.

As part of the overall work to reduce unpaid electric and gas utility bills, Governor Hochul recently launched a new initiative between OTDA and the major utilities to identify more low-income households to enroll in the EAP program, which provides utility bill discounts that save participating households hundreds of dollars per year on utility costs. Any newly eligible low-income customer that enrolls in EAP before December 31, 2022 will be included in the bill credit program.

New York State Public Service Commission Chair Rory M. Christian said, "Given the financial challenges many New Yorkers are experiencing from the pandemic, Governor Hochul has stressed the importance of policies to help consumers and has placed equal priority in the effective implementation of those policies. This program is innovative in design, and we are very proud of the staff team for ensuring the assistance will be delivered effectively and timely to those who need it."

The bill credit program for low-income customers is supported by the Public Utility Law Project, the Utility Intervention Unit of the Department of State, Citizens for Local Power, the American Association of Retired Persons, and the Long Island Power Authority, which oversees PSEG Long Island.

Office of Temporary and Disability Assistance Commissioner Daniel W. Tietz said, "While our state's economy continues to rebound, one thing is painfully clear - many low-income New Yorkers are still struggling to pay down utility bills accrued during the public health crisis. In addition to providing immediate relief to households enrolled in the Energy Affordability Program, this effort will help identify many others qualified for and in need of assistance. This program, along with many others designed to bring relief to struggling households, demonstrates Governor Hochul's continued commitment toward helping all New Yorkers overcome hardship brought by the pandemic."

State Senator Roxanne Persaud said, "This utility bill credit program approved by the Public Service Commission will certainly help many Energy Affordability Program-enrolled
customers. I'm happy that the PSC is expanding upon the $250 million we included in this year's budget for utility arrears relief. Many New Yorkers continue to struggle paying utility bills accumulating throughout the pandemic."

Assemblymember Linda Rosenthal said, "Families across New York State are increasingly cash-strapped, trying to pay off utility arrears accumulated during the pandemic while also keeping up with rent and the cost of putting food on the table to feed their families. In this year's budget we fought hard to ensure funding would be made available to low-income families to help eliminate utility arrears, and I'm proud that the new utility bill credit program builds on this investment to provide more than $550 million in relief. More than 327,000 low-income households will soon see their utility arrears reduced or eliminated, protecting them from having their utility services terminated. This investment will go a long way in helping New York families get back on their feet and recover from the COVID-19 pandemic."

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