

**Testimony of Executive Director Steven Ettannani
New York City Department of Consumer and Worker Protection**

**Before the Committee on
Consumer and Worker Protection**

**Hearing on
Con Edison Rate Increases and Introduction 372**

June 30, 2022

Introduction

Good afternoon, Chair Velázquez, and members of the Committee. I am Steven Ettannani, Executive Director for External Affairs at the Department of Consumer and Worker Protection (DCWP), and I am joined today by Seth Berkman, Energy Policy Advisor in the Mayor’s Office of Climate and Environmental Justice. Thank you for the opportunity to testify today before the Committee on Introduction 372, relating to an Office of the Utility Advocate.

Utility bills are a reality for all New Yorkers, and when rates rise there are consequences to monthly and household budgets. When this happens, individuals, families, and small businesses are forced to find a way to make ends meet, often at the expense of something else. New Yorkers cannot afford to have their financial health continually impacted by ever-increasing rates from utility providers. For those reasons, the Administration welcomes today’s hearing to hear from the utilities and better understand why certain rates for our residents have been rising again.

Existing Regulatory Structures

Utilities such as electric, gas, steam, water, telecommunications, and cable are regulated by distinct entities depending on the types of services that are provided. The primary regulator in New York State is the Department of Public Service (DPS), which has a broad mandate to ensure access to safe and reliable utility service at just and reasonable rates.¹

As a regulator, DPS facilitates consumer complaints charged against service providers through its Office of Consumer Services (OCS). According to publicly available information, OCS annually handles a quarter of a million consumer contacts, of which 30,000 are referred to service providers for investigation and reply. It utilizes a quick resolution system to provide consumers with a timely response to their complaint within 14 days, reduce the number of complaints charged to a service provider, and ensure that office staff have time and resources to handle more difficult cases.²

DPS, through the Public Service Commission (PSC), is also charged with reviewing “utility rate cases,” the formal process by which a regulated utility is allowed to request an increase in rates. These utility rate cases are the primary instruments for regulating these industries, and interested

¹ <https://www3.dps.ny.gov/W/PSCWeb.nsf/All/553FBA3F3EEF7FBD85257687006F3A6D?OpenDocument>

² <https://www3.dps.ny.gov/W/PSCWeb.nsf/All/FA05AA0D1F13FED085257687006F3A81>

persons, such as public interest groups, representatives of customers, and local municipalities may intervene in a utility rate case before the PSC. In the case of New York City, the Mayor's Office of Climate and Environmental Justice advocates for consumer interests and priorities before the PSC during utility rate cases. The City's primary strategic objectives in Con Edison's current rate case are to limit rate increases, ensure equitable investment in historically underserved communities, promote the City's climate goals, and enhance protections for vulnerable residents.

At the same time, the State has an office at the Department of State dedicated to representing consumers before the PSC, known as the Utility Intervention Unit (UIU). The UIU analyzes filings, submits testimony, engages in settlement discussions, and participates in evidentiary hearings in the PSC's proceedings.³ Through this work, the UIU seeks to ensure that consumer concerns are considered at utility rate cases and in policy-related matters across New York.

Introduction 372

Turning to today's legislation, Introduction 372 would create an Office of the Utility Advocate at DCWP. The office would refer utility-related complaints to appropriate entities, contact utilities to resolve complaints, testify before the PSC and in other public hearings, assist consumers with accessing financial aid to cover utility costs, and conduct outreach and reporting around utilities.

This Administration has been committed to serving New Yorkers across the five boroughs. In fact, the City already refers complaints and inquiries regarding utilities to the appropriate regulatory entities, utility companies, or city agencies of jurisdiction. In the last ten months alone, the City's 311 system has fielded close to 80,000 complaints and inquiries on these matters. The City, through the Human Resources Administration (HRA), regularly connects New Yorkers with financial aid, such as the federally funded Home Energy Assistance Program (HEAP) to help New Yorkers pay their utilities. In the past ten months, HRA has received over 11,000 consumer referrals on utilities from 311. And, as my colleague at the Mayor's Office of Climate & Environmental Justice can speak to, the City regularly testifies and advocates on behalf of New Yorkers at utility rate cases before the PSC.

It remains a priority of the Administration to get stuff done for New Yorkers, both efficiently and effectively. There are already existing City and State efforts to serve utility customers. As we continue our conversations with the Council to work together on the specifics of this bill during the legislative process, we want to ensure any final proposal works in harmony with those efforts and avoids undue redundancies. Of course, we are also eager to learn more about the experiences of your constituents, as customers of these utilities, to help inform what more the City can do to meet their needs.

Conclusion

I would like to thank the Council for today's hearing, which speaks to issues that affect us all as New Yorkers, and for the opportunity to testify today. I look forward to any questions you may have.

³ <https://dos.ny.gov/utility-intervention-unit-1>