July 11, 2022

Hon. Kathy Hochul
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Dear Governor Hochul,

We write to urge you to sign A7554-B/S5451-C into law, which would require water, gas, and electric utilities to report critical data on the affordability of their utility service to the Public Service Commission (PSC). This legislation is essential to understand the scale and extent of the utility affordability crisis across New York. For the first time, it will reveal how many New Yorkers have lost or are at risk of losing access to clean water.

Under the bill, each water, gas, and electric utility would be required to submit two datasets to PSC over the next two years, with each dataset including thirteen affordability indicators, such as the number of shut-offs conducted, customers in arrears, deferred payment agreements negotiated, and amount of financial assistance provided during the covered time period. PSC would then produce two reports making findings and recommendations based on the data, and hold public hearings so New Yorkers can provide input on how to guarantee affordable utility service to all.

The COVID-19 pandemic demonstrated the importance of every New Yorker having water, heat, and electricity in their homes. These essential services helped people stay safe and healthy as our state worked to stop the spread of the virus.

In 2020, New York recognized the urgency of protecting access to utility service by enacting one of the strongest and longest-lasting utility shut-off moratoria in the country. This policy saved lives and provided many of the state’s most vulnerable residents, predominately in low-income communities and communities of color, crucial time to recover from the pandemic’s social and economic devastation. We also appreciated that this year’s state budget included $250 million to help customers pay off gas and electric debt (though not water debt; we hope this can be considered for the FY2024 budget).

However, more than two years into the pandemic, New Yorkers are still struggling to get back on their feet financially. As of May, 1.3 million households owed over $1.9 billion in past-due gas and electric bills. Gas and electric utilities are already required to provide most, though not all, of the thirteen affordability indicators in this bill to PSC on a monthly basis.

We expect that customers of public water utilities are in a similarly dire financial situation, but shockingly, the state does not collect any data on the number of New Yorkers behind on their water bills. We still do not have a comprehensive understanding of how the COVID-19 pandemic has harmed New Yorkers’ ability to afford their water.
Many public water utilities have refused to release affordability data to the public, demonstrating the urgent need for this legislation. In Fall 2021, Environmental Advocates NY, the Western NY Law Center, and the National Center for Law and Economic Justice submitted FOIL requests to 10 of the largest public water utilities in the state. Only 4 of the 10 utilities provided any of the information requested. Moreover, there was no reporting consistency from the utilities that did respond. The Erie County Water Authority, for example, claimed they do not track how many shut-offs they conduct.

The limited data available makes clear that water unaffordability is a statewide issue, necessitating data collection from all public water utilities. New York City water and wastewater arrears have nearly doubled since the start of the pandemic, totaling over $770 million. Hundreds of thousands of customer accounts served by water authorities in Monroe, Erie, Oneida, and Suffolk Counties, owed their respective authorities over $40 million in Fall 2021.

This is a critical moment to bring transparency to this issue. Now that New York’s statutory moratorium on utility shut-offs has expired, we need to know how many shut-offs public water utilities have conducted and how many customers they may soon shut off (gas and electric utilities recently agreed to a voluntary shut-off moratorium until September).

As inflation hits record levels and utility rates skyrocket, we need to know how many New Yorkers are facing severe economic challenges, and especially whether additional water assistance funding may be needed. The Office of Temporary and Disability Assistance, which oversees New York’s Low Income Household Water Assistance Program, has stated that the $69 million available for that program will not be enough to meet the need statewide.

This bill will not be burdensome on utilities, and will not lead to higher bills for customers. Utilities of all sizes already keep tabs of this data to internally track revenue and other financials. This legislation will simply ensure that data collection is standardized across utilities and that it is easily accessible to the public. Other states, such as Illinois and North Carolina, have implemented data collection programs covering water utilities during the pandemic and have not seen rates spike because of it.

This bill is also limited in its scope, and does not grant PSC authority over all aspects of public water operations. Rather, PSC is simply tasked with overseeing the collection of data. Giving PSC a degree of responsibility over public water utilities is not unprecedented; the shut-off moratorium charged PSC with ensuring these utilities complied with that law’s provisions. Over the last several years, PSC has gained critical experience communicating with public water utilities about the moratorium, which the commission can now use to ensure the smooth implementation of this bill.

We can’t fix what we don’t measure. This bill will provide your administration, the State Legislature, and the public with the data needed to develop evidence-based affordability policy, especially to address water unaffordability. You have made increasing transparency and bolstering New York’s recovery from the pandemic cornerstones of your administration. This bill furthers both of those goals.
We hope you will swiftly sign this bill into law. Thank you for your consideration of this letter.

Sincerely,

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New York Policy Advocate  
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