

Update – New York’s Competitive Energy Market

LIFE Regional Meetings 2013

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New York's Competitive Energy Market Principles

- Choice by customer preference
- Make economic decisions
- Offer innovative products and services
- Protect the environment

New York's Competitive Energy Market

Deregulation

- Since 1994 – state's electric and gas industries restructured to facilitate competitive energy market
- Most customers have energy supply choices
- Utilities continue to deliver energy to the meter
- Customers can purchase electricity and gas supply from an Energy Services Company (ESCO)
- Over 170 ESCOs provide energy supply to 1 million gas and 1.6 million electric customers

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Uniform Business Practices

- Prescribe procedures for the relationships between utilities and ESCOs and between ESCOs and customers
- Establish Commission ESCO eligibility process and compliance rules
- 2008 – Approved marketing standards and enhanced enforcement remedies (e.g., accurate representation and treatment of deceptive marketing practices, customer disclosure)
- 2010 – Adopted ESCO Consumers Bill of Rights

New York's Competitive Energy Market Consumer Protections

- Home Energy Fair Practices Act (HEFPA)
 - 2003 amendment requires ESCOs to provide same consumer rights and protections to residential customers as utilities
 - Affords HEFPA protections to ESCO customers terminated for nonpayment of energy charges

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Price Reporting

- 2006 Commission Order set parameters for monthly ESCO filings on product offers and prices
- Eligibility can be revoked for noncompliance
- “*Power to Choose*” website
 - Consumers can find out which ESCOs are serving in their zip code
 - New capability added in 2010 for ESCOs to update information any time

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Future Direction

- Ongoing DPS Staff review - Concerns raised in residential and small commercial energy markets
- “Retail Access Proceeding” (12-M-0476) –
To assess different aspects of competitive energy market for these customer groups
- Over 30 parties submitted comments
 - Input on future direction of the energy market
 - Identified potential costs for any actions or new requirements
 - Recommendations for Commission consideration

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Topics of Comments

- Information for Current ESCO Customers
 - On-line bill calculator
 - ESCO/Utility price comparison on bills
 - Information for low-income and payment troubled customers
- Data for Potential Customers
 - Collection and publication of monthly ESCO prices
 - Commission's "*Power to Choose*" website

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Topics of Comments

- Status of ESCO Referral Programs
 - Continue, modify or phase-out
- Low Income Customers
 - Availability of utility affordability or energy assistance program participants
 - Price guarantee no higher than utility
- ESCO Contracts
 - Requiring customer affirmative consent
 - Provision of rate methodologies and billing calculations

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Topics of Comments

- Door-to-Door Marketing
 - Reasons to permit or prohibit
 - Treatment of termination fees in sales contracts
 - Other requirements or conditions needed
 - Commission authority or special circumstances regarding ESCO door-to-door marketing
 - Treatment of energy brokers and third party vendors

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Other Proposals

- Utility commodity rates transparency
- ESCO pricing
- Future direction of energy infrastructure and technology
- For additional questions or information
 - Contact Honor Kennedy at (518)474-0479 or honor.kennedy@dps.ny.gov

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Understanding Customer Experience

- Commission customer survey
 - On-line and public venues/forums
 - Report to Commission
- Community outreach and presentation at events/forums