



Legislation Text

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Res. No. 173-A

Resolution calling upon the Governor and New York State Legislature to expand financial relief programs to assist City residents struggling to pay their utility bills.

By Council Members Ung, Yeger, Louis, Nurse, Narcisse, Restler, Ossé, De La Rosa, Dinowitz, Williams, Cabán, Avilés, Lee, Gennaro and Ariola

Whereas, Consolidated Edison Company of New York (ConEd) supplies energy services to approximately 10 million people within New York City and Westchester County; and

Whereas, In 2020, ConEd reported \$10.647 billion in operating revenues, with total assets amounting to \$50.967 billion; and

Whereas, In January of 2022, City residents experienced dramatic and unexpected increases in their ConEd bills, caused by an increase in in the cost of energy; and

Whereas, According to ConEd, the average energy price charged by power generators increased from \$50 per megawatts per hour (MWh) in December 2022 to \$140 per MWh in January of 2022; and

Whereas, This increase, coupled with the 10% increase in customer usage in January of 2022 due to cold weather, resulted in large monthly increases for some customers; and

Whereas, Many City residents are still dealing with the economic devastation caused by the pandemic; and

Whereas, As of February 2022, the City's unemployment rate was 7 percent, nearly twice the national rate, and the City had regained only 70 percent of its pandemic jobs deficit, in contrast to 91 percent nationally;

and

Whereas, Accordingly, many City residents lack the financial resources to pay for such price increases;

and

Whereas, Across NYS, almost 1.3 million residential gas and electric customers are 60 or more days behind on their bills, totaling over \$1.7 billion; and

Whereas, The current outstanding debt owed to utilities is over double the debt owed before the pandemic; and

Whereas, Over 411,500 City and Westchester residents are 60 or more days behind on their ConEd bills, totaling over \$819 million owed; and

Whereas, According to Richard Berkley, executive director of the Public Utility Project, the problem of unpaid utility debt has reached a new high, may result in multi-generational debt and is a “massive crisis”; and

Whereas, As the statewide moratorium on utility shut-offs for nonpayment expired on December 21, 2021, people behind on their utility bills have received termination notices; and

Whereas, According to David Springe, Executive Director of the National Association of State Utility Consumer Advocates, “People end up unable to keep their home or apartment or dwelling because they lose electricity or they lose water, they end up homeless”; and

Whereas, Numerous financial relief programs exist for City residents unable to pay their utility bills; and

Whereas, The Home Energy Assistance Program (HEAP) is a NYS administered relief program to help low-income residents pay the cost of heating their homes; and

Whereas, Qualifying applicants to HEAP can receive up to \$751 in heating assistance, but eligible

customers must be receiving SNAP, Temporary Assistance for Needy Families, or Supplementary Security Income; and

Whereas, From October 1, 2021 through February 23, 2022, over 1.4 million regular benefits totaling \$212 million have been issued through HEAP; and

Whereas, NYS also developed an Emergency HEAP program to provide financial relief to residents facing the risk of a utility shut-off; and

Whereas, The HEAP Regular Arrears Supplement is a benefit for residents that have gas and electric utility arrears; and

Whereas, The Regular Arrears Supplement is a one-time benefit funded by the Federal American Rescue Plan Act of 2021; and

Whereas, The supplement is a benefit based on the actual amount of a customer's current utility arrears, up to a maximum of \$10,000 per applicant; and

Whereas, Despite the existence of these programs, however, qualifying for aid can be difficult; and

Whereas, According to Megan Sergi, program director at the Center for Urban Community Services, “We’ve seen some people who have been given a lot of assistance if they fit in all the right buckets and checkmarks... You have to meet a lot of criteria to fit the right profile”; and

Whereas, The AARP and Public Utility Law Project wrote a letter to Governor Hochul requesting \$1.25 billion be allocated to address energy utility arrears; and

Whereas, On April 9, 2022, Governor Hochul announced the allocation of \$250 million in utility arrears assistance in the NYS budget; and

Whereas, According to AARP New York State Director Beth Finkel, “any amount short of \$500 million

to address utility arrears will leave New Yorkers in the dark”; and

Whereas, On June 16, 2022, Governor Hochul announced the creation of the Electric and Gas Utility Bill Credit Program, a \$557 million credit to help low-income gas and electric utility customers pay off utility arrears; and

Whereas, Under the program, the PSC is providing a one-time credit to customers enrolled in the Energy Affordability Program, which will eliminate unpaid utility bills through May 1, 2022; and

Whereas, While this program will provide relief to struggling New Yorkers, the program’s funding is not sufficient to match the current need; and

Whereas, Outstanding utility debt will impair City residents’ credit; and

Whereas, New Yorkers in utility arrears will have to choose between housing, medical needs, food or paying off their arrears; and

Whereas, Low to moderate income New Yorkers not in utility arrears may also have difficulty affording ConEd’s high and unexpected January 2022 utility bills; and

Whereas, The communities experiencing the most significant impact of rising utility prices are low-income communities and communities of color, who have been hit hardest by the pandemic; and

Whereas, With reduced economic spending, the City’s recovery from the pandemic will be hampered; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the Governor and New York State Legislature to expand financial relief programs to assist City residents struggling to pay their utility bills

NM
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