

New York PSC denies retailer extension requests

Staff offers guidance on complying with new rules

The New York PSC's secretary yesterday denied requests from retailers for an extension to its new rule requiring that the firms only offer mass-market customers deals that guarantee savings compared to utility prices (PMT, [March-2](#)). The National Energy Marketers Assn (NEM), the Retail Energy Supply Assn (RESA) and many individual firms asked for more time to implement the rules, which they have said will end competition for the mass market.

The new rules will go into effect Friday without the extension. Thus all new customers will have to get the guaranteed savings plans, or products that offer at least 30% renewables. The commission is working to broaden the list of products that benefit customers but that process still has another seven weeks to play out.

PSC Chair Audrey Zibelman has said the rules are not meant to kill the market, but rather to increase consumer confidence because competition is a major part of the Reforming the Energy Vision process (PMT, [Feb-25](#)).

The retailers argued the extension was needed due to the ambiguity of the order, the difficulty of implementing the changes within 10 days and the fact that the market-rule changes were issued without any comment period.

"The requests are denied," the secretary said. "The changes required in the order are intended to immediately address the harms experienced by mass-market customers."

Dept of Public Service staff met with retailers and issued

a guidance document on compliance, the order added. The PSC provided a clear justification for the urgent action taken and the secretary declined to postpone the "pressing and imperative changes directed in the order."

According to the guidance document, retailers can guarantee savings by paying customers the difference in credits at the end of each billing period, or the end of each contract period. If that cannot happen due to billing system constraints, the money can go back to customers in the form of a check or an electronic funds transfer, it reportedly said.

Some retailers already offer guaranteed savings in the market and they have tools that calculate the rate by using information from utility tariff, the guidance document noted.

Each of the utilities has its own calculator that lets customers figure out what they would have paid on standard service. Some utilities offer retailers the capability of billing the customer at their rates as well, the document noted.

The last enrollments of customers that do not have to follow the new rules have to be completed by tomorrow at the latest, the document said.

Retailers serving customers on month-to-month variable rate deal have to transfer customers back to utility service, or to a compliant product. They have to notify customers by Monday and then have to wait 15 days to move them back to the utility or 30 days before renewing them on a contract with different terms.

Customers on fixed-rate products will have to be switched into compliant products once their current contract expires, the guidance document said.