



NEW YORK STATE SENATOR

Jack M. Martins

Senator Passes LIPA Oversight Bill, Governor Signs It Into Law

[JACK M. MARTINS](#) February 6, 2012

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Not long after the State Senate passed a bill to improve oversight of LIPA, Governor Andrew Cuomo signed the bill into law. The law requires LIPA to undergo periodic audits of internal policies and procedures to improve efficiency and transparency. The LIPA Board will be required to publicly present the findings and recommendations of the audit, allowing LIPA's decisions to be held to a more rigorous standard than those that currently exists for any other utility in the state.

To ensure that LIPA customers have a sufficient consumer advocate, the new law gives the Department of State's Division of Consumer Protection specific authority to investigate any complaints made by customers. DOS will mediate and refer such complaints to appropriate state and local agencies for further review. The Department of Public Service will oversee the audit process. The law takes effect immediately.

"All too often, residents and business owners with complaints about LIPA feel as though they fall on deaf ears. This will ensure that there will greater oversight over LIPA and give customers a vehicle to make inquiries," said Senator Jack M. Martins, who supported the bill, which was sponsored by Senator Kenneth P. LaValle.

The Governor then signed the bill, known as the Long Island Power Authority Oversight and Accountability Act. "This new law is an important step toward improving efficiency and transparency at LIPA to ensure ratepayers are protected," Governor Cuomo said. "LIPA's customers deserve to have their complaints addressed in a timely and effective manner, and this law will help make sure the people of Long Island are better served.

"Long Island ratepayers will benefit from comprehensive review of LIPA's practices by professional auditors," Senator LaValle said. The bill also provides ratepayers with a place to have complaints heard and remedied. Long Islanders have suffered too long due to the lack of strong oversight over the practices and ratemaking of LIPA."

The bill requires that the first audit be initiated immediately. The second audit would be initiated no later than December 15, 2015 and all additional audits would be initiated at least once every five years thereafter. The bill also provides the public an opportunity to be involved in the parameters of the audit by requiring public statement hearings to be held in both Nassau and Suffolk Counties at the beginning of each audit process.