NEW YORK STATE SENATE
ALBANY, NEW YORK 12247

March 31, 2026

The Honorable Kathy Hochul
Governor of the State of New York
Executive Chamber
NYS State Capitol Building
Albany, NY 12224

Dear Governor Hochul:

We write to urge you to push for two pieces of legislation in this year's state budget that would provide immediate and real relief to utility ratepayers as they face sky-high bills:

- S.8461-A (Senator O'Mara) / A.8876-A (Assemblymember Lemondes): Re-allocates nearly $3 billion in unspent funds from NYSERDA's coffers and money collected from utilities for NYSERDA to utility ratepayers as bill credits.
- S.8463 (Senator Rolison): Provides a one-year utility bill tax and surcharge holiday and two-year green energy tax holiday.

One out of eight residential electric and gas utility customers are currently in arrears on their utility bills by more than sixty days according to the Department of Public Service (DPS). This alarming statistic moves affordability from a consumer poll question in New York to a stark reality, which requires immediate action.

There are 1.39 million utility customers in arrears across all utilities amounting to $2.35 billion as of December 31, 2025. The skyrocketing utility bills from the recent cold weather snap will undoubtedly increase the arrears numbers from 2025 substantially.

Your response in the budget to affordability is focused on future actions directed at utility rate proceedings before the Public Service Commission. Your legislative proposals do not take effect until January 1, 2027. There is no impact on any rate cases until 2028 when the next round of rate cases is brought by utilities which must reapply for rate increases to the Public Service Commission (PSC).

Ratepayers need relief now. Not only are the ratepayers in default negatively impacted, but the other ratepayers are paying increased costs through socialization of the costs of arrears.

S.8461-A sponsored by Senator Tom O'Mara would provide nearly $3 billion in bill credits to ratepayers using unspent off-budget funds collected from ratepayers by NYSERDA with PSC approval for energy transition programs. The Fiscal Year 2025 Budget and Financial Plan for NYSERDA detailed that NYSERDA had a total net position of $2,045,624,000 at the end of 2025. There was also $770 million being held in escrow by utilities for requisition by NYSERDA at the end of 2025 per the Department of Public Service.

The amount of unspent funds collected by NYSERDA has grown significantly since Comptroller DiNapoli first pointed to this overcollection in his July 2024 report New York State's Clean Energy Fund. These funds should not continue to be held to protect against the volatility of collections particularly as the collections are continuous and replenish needed funds. These funds have no impact on the proposed state budget.

Furthermore, **S.8463 sponsored by Senator Rob Rolison** would establish a one-year utility bill tax and surcharge holiday and a two-year green energy gas tax holiday, which would provide real and meaningful relief to ratepayers that are paying residential electric rates 50% higher than the national average.

Ratepayers of electric and gas utilities are bearing most of the cost of the energy transition. Utility ratepayers are paying surcharges on their utility bill for the following: subsidies for renewable power, grid modernization, subsidies for nuclear power, subsidies to assist other ratepayers who are unable to make their payments, the Regional Greenhouse Gas Initiative as a pass through on their power costs, utility real property taxes which are passed through to ratepayers in energy efficiency programs operated by utilities.

Per your recent op-ed in the Empire Report, since you became Governor in 2021, $88.7 billion has been invested in clean energy programs with the funding mainly paid by ratepayers on their utility bills. The arrears numbers indicate that ratepayer funding has reached its capacity. Immediate relief needs to be made available to ratepayers. The energy transition needs to move forward with reasonable and achievable goals that are affordable. The ratepayer cannot bear the whole burden.

We urge you to include Senate Bill 8461-A and Senate Bill 8463 in this year's budget.

Thank you for your attention to this matter.

Sincerely,

Robert G. Ortt
Senate Minority Leader
62nd District

Senator Andrew Lanza
24th District

Senator Tom O'Mara
58th District

Senator Mario Mattera
2nd District

Senator Mark Walczyk
49th District

Senator Rob Rolison
39th District

Senator Anthony Palumbo
1st Senate District

Senator Pam Helming
54th District

Senator Jim Tedisco
44th District

Senator Daniel G. Stec
45th District

Senator Jake Ashby
43rd District

Senator Jack M. Martins
7th District

Senator Patricia Canzoneri-Fitzpatrick
9th District

Senator William Weber
38th District

Senator Alexis Weik
8th District

Senator Steve Chan
17th District

Senator Joseph Griffo
53rd District

Senator Steve Rhoads
5th District

Senator George Borrello
57th District

Senator Peter Oberacker
51st District

Senator Patrick Gallivan
60th District

Senator Dean Murray
3rd District