

Hochul signs bills for more utility transparency



A bill signed by Gov. Kathy Hochul requires utilities in New York State and their service providers to release annual compensation for top executives. Credit: TNS/Kevin P. Coughlin

By Mark Harrington

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Gov. Kathy Hochul has signed legislation requiring state utilities and service providers that gross more than \$1 million annually to report executive pay — a win for those seeking greater accountability from top PSEG Long Island officials.

The bill, authored by Sen. Todd Kaminsky (D-Long Beach) and Assemb. Fred Thiele (I-Sag Harbor), requires all state utilities and their service providers to issue annual reports listing top executive compensation, starting with those making more than \$125,000.

It applies not only to electric utilities and outside service providers like PSEG, which operates the Long Island Power Authority's electric grid, but also, natural gas providers like National Grid, and waterworks companies such as New York American Water, which is in the process of being bought by Liberty Utilities. Hochul signed the bill New Year's Eve. The first reports are expected by Oct. 31 or sooner, Kaminsky's office said.

Kaminsky, during public hearings with PSEG following Tropical Storm Isaias in 2020, had demanded release of top officials' salaries but the New Jersey-based service provider resisted. In 2015, a PSEG lawyer cited clauses in the LIPA Reform Act in refusing to release executive compensation. Federal filings showed PSEG Long Island's one-time president and former chairman of the board, David Daly, made \$2.82 million in 2019.

On Monday, Kaminsky said the disclosures are needed to keep utilities accountable to customers.

"Often we've seen utilities act in an unaccountable manner as if the ratepayers are not an important factor in how they perform their business," Kaminsky said. "The more transparency we have and the more we demand of the utilities, the more accountability we'll get at the end of the day."

PSEG spokeswoman Ashley Chauvin said the company "is aware of the law and is reviewing it."

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LIPA, which already publicly releases compensation for all of its approximately 60 employees, said it "supports efforts at transparency."

Hochul in the past month also signed a bill requiring LIPA to provide twice-annual reports about its lobbying and advertising activities, including amounts spent and the reasons for the efforts. The bill, sponsored by Sen. Jim Gaughran (D-Northport), requires the reports be issued to the governor and State Legislature

"Long Islanders deserve to know how LIPA is spending their money," Gaughran said. "This law brings much-needed transparency to LIPA's frivolous spending on advertisements, lobbying, and promotional campaigns and will shed a light on why Long Island has some of the highest electric bills in the nation." Thiele was the bill's Assembly sponsor.

Hochul also signed a separate bill by Thiele to authorize the development of programs that allow for Long Island municipalities, communities and residents to pool their buying power to purchase electricity from suppliers other than LIPA. The Community Choice Aggregation programs, already in operation statewide, have been slow to take hold on Long Island, according to critics, because of structural impediments at LIPA, which has been working with local governments to fine-tune the programs.

"With this bill now officially signed into law, our towns can finally join the rest of the state in pursuing greener and cheaper energy alternatives," Thiele said.

Hochul vetoed a separate Gaughran bill that would have required PSEG to submit to an annual stress test of its outage and restoration systems and release the results publicly. Hochul said the measure was "duplicative" given a new LIPA contract that requires such tests, and the protocols required under the bill are better enforced through regulation rather than legislation.

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