

P.S.C. Approves Consumer Protection Rules

By JOSH BARBANEL

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ALBANY, March 12 — New regulations to protect consumers in their dealings with utilities have been approved by the Public Service Commission and argues that the commission misinterpreted the law the regulations were supposed to implement.

The regulations give new protection to consumers who feel they are being overcharged or threatened with a cutoff of service. They were designed to implement the Home Energy Fair Practices Act, which was hailed as a "bill of rights" for utility consumers when it was passed last year.

But some supporters of the law say a commission staff misinterpreted or narrowed portions of it in drafting the regulations in ways that largely favored the utilities.

"It is a terrible disappointment," said Robert Pillar, a lawyer with the Public Utility Law Project, a consumer advocate group. "On virtually every important issue they adopted the utility position."

The staff's interpretations of the law were defended by Paul L. Gioia, the commission chairman, who said he was simply carrying out the intentions of legislators.

The regulations prevent utilities from terminating service without first offering customers a deferred payment plan. They also limit the reasons for which utilities may require a deposit.

In addition, the regulations set procedures for applications for service, termination of service and the handling of complaints, and establish an emergency toll-free hot line.

Two weeks ago the commission put off consideration of the regulations following intensive lobbying by consumer advocates. The ones adopted this week, by a vote of 5 to 2, included several changes sought by the critics.

But critics say the regulations still include two provisions contrary to the law. Two other provisions that they maintain are contrary to the law have been postponed until June for further study.

Assemblyman G. Oliver Koppell, a Democrat from the Bronx who spon-

sored the legislation, said the regulations were, for the most part, "fair, although quite conservative."

But he complained that some of the interpretations by the commission's staff were "definitely contrary to the law."

As an example, he said the commission allowed the utilities to cut off service to customers who do not pay a deposit when asked to, even though the law does not list this among the causes for termination of service.

The law says that terminations "shall be in accordance with all relevant provisions of this article."

Mr. Pillar objected to regulations that

permit the utilities to disconnect service without notice to anyone they believe to have been tampering with a meter or obtaining illegal service. He said the new commission rule reversed a policy that had been adopted after an infant froze to death in Brooklyn when a utility shut off service that her father had contracted illegally.

"We are going to take this to the courts and beat them because the issue is so clear," Mr. Pillar said.

Mr. Gioia contended that critics had singled out a few regulations that greatly advance the rights of all consumers. In addition to protecting consumers facing the loss of services, he said, "we have to be concerned about the other consumers who pay their bills and the utilities' ability to pay their bills."

Mr. Pillar said that of more than 50 objections originally filed with the commission, 40 of the most important ones had initially been decided in favor of the utility. Some were reversed in the commission version approved by the commission, Mr. Pillar acknowledged.

One such issue is a requirement that utilities observe the winter rules for electric customers, even when electric heat is used only to supplement oil heat provided by landlords. Both under interim rules that have been in effect for the last 18 months and under the proposal considered by the commission two weeks ago, such supplemental heating is not protected.

Mr. Koppell also objected to an interpretation of the law in which safeguards in service disruptions in winter were not provided to tenants in apartment buildings when the landlord was the utility "customer." A regulation based on that interpretation was put off for further study by a utility-consumer task force.

Mr. Gioia said that the interpretation distinguished between the term "customer" and the term "resident."

But Mr. Koppell said apartment dwellers were included because the term "resident" had been used in connection with the section on winter heating.

A second regulation put off for further study would have required all adult residents of a household to be listed on an application for service where a previous customer had not paid the bill. Mr. Koppell