

May 6, 1986

Utilities Should Pay for Message Inserts in Bills

To the Editor:

The U.S. Supreme Court performed a great service for public-utility consumers by dismissing an appeal by Con Edison and three other New York utilities of a 1983 New York State Public Service Commission order that utilities must pay half the cost of inserting controversial advocacy messages in customer bills.

The Court decided, April 21, 1986, not to consider the appeal for lacking "a substantial Federal question."

New York courts recognized the utilities' right to insert the ads, but agreed with the P.S.C. that ratepayers ought not to pay the entire cost.

Last year, the New York City Council unanimously urged that the P.S.C. "adopt rules and regulations restricting public utility companies from including the cost of certain advertising in the rate-setting process; and further requiring all utility advertising to contain a statement indicating if its cost is borne by shareholders or ratepayers."

If the P.S.C. were to adopt such rules, political, promotional or institutional advertising expenses of utility companies would be excluded from rate setting, thereby lowering the rates utilities could charge consumers.

SHELDON S. LEFFLER COREY B. BEARAK

New York, April 23, 1986

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