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IV. Billing Process and Payment of Bills (continued):**B. Computing a Customer's Bill**1. Service and Rate Classifications

Customers are assigned to Service and Rate Classifications based on criteria which include, but are not necessarily limited to, usage levels, demand levels, voltage characteristics, and purpose of use. Each Service and Rate Classification contains its own rates and rate structure to recover revenue levels approved by the Authority.

2. Adjustments to Rates

The Authority may adjust rates or bills periodically for:

- a) Changes in the cost of fuel and purchased power, payments in lieu of revenue taxes, or other costs as approved by the Authority, and
- b) Any credits approved by the Authority, including the Ratepayer Class Action refund (RCAR) factor and the Shoreham Property Tax Settlement Rider, and
- c) Discounts to promote economic development.
- d) Charges to LIPA Green Choice Customers for environmental attributes.

3. Applying Rate Changes to Customer's Bills

If a rate change becomes effective during a billing period (and unless the Authority determines otherwise), the Authority will average the old and new rates, weighted by the number of days in the billing period before and after the effective date of the rate change.

4. Backbillinga) Backbilling Conditions

- (1) For Residential Customers, the Authority shall send a backbill within four (4) months of learning of the circumstances or situation that caused the Authority to send a late or inaccurate bill.
- (2) For Nonresidential Customers, the Authority shall send a backbill within six (6) months of learning of the circumstances or situation that caused the Authority to send a late or inaccurate bill, unless that time is extended by a court.
- (3) The Authority shall not issue a backbill if the reason for the underbilling is clear from the Customer's Application or would have been clear, but the Authority failed to get and keep an Application.

X. LIPA Green Choice Program:**A. General Provisions**1. Program Description and Definitions

The LIPA Green Choice Program is a voluntary program in which the Authority's customers may elect to purchase environmental attributes from Renewable Energy Options Providers, hereafter referred to as "Green Marketers", who meet the eligibility criteria. The purpose of this program is to stimulate the development of renewable energy generation resources through the sale of environmental attributes associated with such generation in New York State or in areas that would be specified by the New York State Public Service Commission's ("NYPSC") Renewable Portfolio Standard when it becomes effective.

2. Customer Eligibility

a) In order to participate in the LIPA Green Choice Program a Customer must:

- (1) Take service under Service Classification Nos. 1, 1-VMRP(L), 1-VMRP(S), 2, 2-VMRP, 2L, 2L-VMRP, 2-H, or 2-MRP, 5, 7, 7A, 10, 13 and:
- (2) Receive metered or authorized unmetered electric service from LIPA.

b) Customers who are not eligible to participate in the LIPA Green Choice Program are:

- (1) Customers who receive service under Service Classification Nos. 2-VRTP, 11, 12, or 15. These include Customers who receive a portion of their electric requirements from self-generation or on-site generation, and require supplemental, backup or maintenance service from LIPA.
- (2) Customers who receive part of their electric requirements from an Economic Development Power program through a municipal distribution agency.
- (3) Customers who sell power to LIPA as Qualifying Facilities or Residential Small Solar Electric Generators.
- (4) Customers participating in the Long Island Choice Program.
- (5) Customers who are in arrears for sixty or more days.

X. LIPA Green Choice Program (continued):**A. General Provisions (continued):****3. Green Marketer Eligibility**

To participate in the LIPA Green Choice as a Green Marketer, an applicant must sign a LIPA application stating that it will comply with all the provisions of this Tariff and with any agreements between the applicant and the Authority. The Green Marketer must also meet the following requirements:

- a) The Green Marketer must be licensed by the NYSPSC as an ESCO in NY State and must be in compliance with the Electronic Data Interchange (EDI) standards. The Authority may, at its discretion, impose additional requirements and request additional information from a potential Green Marketer before it is allowed to participate in the LIPA Green Choice Program.
- b) The Green Marketer must notify the Authority immediately of any material change in information previously submitted to the Authority, and
- c) The Green Marketer must cooperate with the Authority and the NYSPSC in order for the NYSPSC to be able to recognize the necessary Conversion Transactions.

4. Customer Enrollment Guidelines

- a) A Customer desiring to participate in the LIPA Green Choice Program will select an eligible Green Marketer, enter into an agreement directly with the Green Marketer, and provide the Green Marketer with the necessary enrollment information. The form of that customer agreement will be subject to LIPA's approval.
- b) The Green Marketer will submit the Customer's enrollment information to the Authority. At a minimum, the Green Marketer will provide the Customer's current account number, name, and the Customer's selected renewable energy environmental attributes option as described below.
- c) The Authority must receive the information required in 4.b) above at least 10 calendar days prior to the first of the month for which enrollment in the program will be deemed effective.
- d) A Customer can only contract with one Green Marketer at a time to receive renewable energy options for an individual electric account. When two or more meters at a single location are combined and a Customer is billed for total use as an individual electric account, in accordance with the Tariff, only one Green Marketer may provide renewable energy environmental attributes service to that individual electric account.

X. LIPA Green Choice Program (continued):**A. General Provisions (continued):****5. Renewable Energy Environmental Attributes Options**

- a) Each participating Green Marketer will offer Customers a reasonable number of renewable energy environmental attributes service options. These service options may include the following:
 - (1) A total energy consumption option whereby a Green Marketer provides the renewable energy environmental attributes options for one hundred percent (100%) of a Customer's total billed consumption for a given billing period.
 - (2) A percentage of energy consumption options whereby a Green Marketer provides the renewable energy option for seventy-five percent (75%), fifty percent (50%), or twenty-five percent (25%) of a Customer's total billed consumption for a given billing period.
 - (3) An energy block service option whereby a Green Marketer provides Customers blocks of the renewable energy environmental attributes options. The size of the individual blocks will be determined by the Green Marketer but would be equal or less than the energy consumed by the Customer who bought those options.
- b) The Green Marketer shall provide to the Authority, for each Customer enrolled, the specific details related to the service option chosen at the time of enrollment, including the amount or percentage of monthly energy that the Customer has enrolled in the program.

6. Billing Service

- a) The Authority shall perform the billing services for the renewable energy options as selected by the Customer in the enrollment process. The Authority shall include the Green Marketer's charge for the specific renewable energy environmental attributes options as a separate line item on the Customer's bill.
- b) The Authority's adjustment for the Shoreham Property Tax Settlement Rider, discounts to promote the Authority's Economic Development Programs and any discounts related to Service Classification No.13 will not apply to the Green Marketer's charges on the Customer's bill.
- c) The Green Marketer will be required to enter into a Billing Services Agreement with the Authority that contains terms and conditions governing the rights and obligations of the parties prior to the Authority's including any renewable energy charge on the Customer's bill. The Billing Services Agreement may include specific or allocated charges to the Green Marketer.

X. LIPA Green Choice Program (continued):**A. General Provisions (continued):****7. Conversion Transactions**

- a) Each calendar month, LIPA will report to each Green Marketer the quantity of renewable energy environmental attributes in kWh purchased by the Green Marketer's Customer for a previous month.
 - (1) To determine the loads for those customers without interval meters, LIPA may utilize the representative service class load shapes (reflecting voltage delivery level) and determine customer loads in a manner similar to the methodology used for NYISO reporting.
 - (2) For Customers with interval meters, LIPA may use a Customer's actual meter reading.
- b) For each quarter, the Green Marketer shall provide to LIPA documentation supporting its purchases of environmental attributes from renewable energy generators that contain sufficient commitments to support the renewable energy environmental attributes sales during that same period.

8. Preparation and Dissemination of Environmental Disclosure Statements

- a) For environmental disclosure purposes, LIPA will provide all required information to the NYSPSC to develop the environmental disclosure statements.
- b) LIPA will assist Green Marketers in preparing customer specific environmental disclosure statements. Green Marketers will be responsible for disseminating the customer specific environmental disclosure statements to their customers on a periodic basis.

X. LIPA Green Choice Program (continued):**A. General Provisions (continued):**9. Switching

- a) Customers participating in the LIPA Green Choice Program may choose to change Green Marketers subsequent to their initial Green Marketer selection.
- b) Customers may discontinue participation in the LIPA Green Choice Program at any time provided LIPA is notified at least ten (10) calendar days before the first of the month for which the discontinuation is to be effective.
- c) There are no restrictions on the frequency of switches except as may result from the notice period requirements or as may be specified in agreements between Green Marketers and Customers.

10. Discontinuation of Green Marketer Participation

- a) The Authority may discontinue a Green Marketer's participation in the LIPA Green Choice Program if the following conditions exist:
 - 1) The Green Marketer failed to procure an amount of renewable kWh equal to the renewable kWh billed by LIPA.
 - 2) The Green Marketer fails to comply with the terms and conditions of the Tariff or with any agreements entered into with by the Authority in connection with the LIPA Green Choice Program.
- b) When a Green Marketer's participation is discontinued, its Customers will have the opportunity to enroll with other Green Marketers, as available, or discontinue participating in the LIPA Green Choice Program.

X. LIPA Green Choice Program (continued):**A. General Provisions (continued):**11. Limitation of Liability

- a) Definitions. For purposes of this Section 11, (1) the term “damages” shall mean all losses, direct and consequential damages (including economic loss), judgments, costs, expenses, claims and legal expenses (including reasonable attorney and consulting fees), and (2) references to LIPA and the Authority shall be interpreted to include each of their respective Trustees or Directors, officers, employees and agents.
- b) Neither LIPA nor the Authority shall be liable to the Green Marketer for any damages arising from the claims of either the Green Marketer, other Green Marketers or a LIPA Green Choice Customer and relating to:
 1. LIPA’s or the Authority’s performance of its obligations under the LIPA Green Choice Program or any legal or regulatory requirement arising in connection with the LIPA Green Choice Program; or
 2. A LIPA Green Choice Customer’s failure to satisfy its obligations under the LIPA Green Choice Program, its agreement(s) with the Green Marketer or under any other legal or regulatory requirements arising in connection with the LIPA Green Choice Program; or
 3. Any discontinuation or termination of a Green Marketer’s participation in the LIPA Green Choice Program.
- c) To the fullest extent permitted by law, the Green Marketer shall indemnify, defend and hold harmless LIPA and the Authority for any and all of the following:
 1. Damages imposed upon LIPA or the Authority relating to the circumstances or occurrence of any of the events described under Section 11.b) above.
 2. Damages imposed upon LIPA or the Authority with respect to damages to a LIPA Green Choice Customer attributed to any of the following:
 - a) the Green Marketer’s acts or omissions including but not limited to damages associated with its failure to arrange for conversion transactions equal to its billings to the Authority’s Customers, including, without limitation, claims by the Green Marketer’s Customers or by the NYSPSC associated with the compliance with NYSPSC environmental disclosure requirements; or
 - b) the Green Marketer’s acts, omissions, or representations in connection with its solicitation of Customers under the LIPA Green Choice Program or its failure to perform any commitment to a LIPA Green Choice Customer under any contract between the Green Marketer and the LIPA Green Choice Customer.