

## **Proposal Concerning Modifications to LIPA's Tariff for Electric Service**

### **Requested Action:**

The Long Island Power Authority ("LIPA") Staff proposes to modify the Tariff for Electric Service ("Tariff") effective October 1, 2016, in order to effectuate a provision of the LIPA Reform Act transferring certain responsibilities related to the handling of customer petitions regarding rehearings of the Authority's decisions on appeals and shared meter determinations to the Long Island Office of the Department of Public Service ("DPS") and to mirror the processes followed by the Department of Public Service with respect to handling of customer complaints at investor owned utilities.

### **Proposal:**

LIPA is seeking minor modifications to its Tariff provisions regarding treatment of customer complaints in order to conform its treatment of customer complaints to the LIPA Reform Act. The LIPA Reform Act established the Long Island Office of the DPS and bestowed on it the power to:

Accept, investigate, mediate to resolve and make recommendations to the Long Island power authority and/or the service provider regarding the resolution of complaints from consumers in the authority's service territory relating to, among other things, the provision of electric service provided by the service provider and/or the authority. New York Public Service Law § 3-b(3)(e).

On January 1, 2016, in connection with implementation of DPS rate recommendations for 2016-2018, Tariff Leaves Nos. 163 and 164 were amended in order to effectuate the above-referenced provision with respect to consumer complaint appeals. Staff now proposes to adopt similar wording with respect to rehearing requests and shared meter complaints. DPS requested these modifications.

Customers dissatisfied with the Authority's decisions on appeals of customer complaints may request a rehearing from the the Long Island Office of the DPS. The DPS will then issue a recommended decision to the Chief Executive Officer of the Authority, who will render a final decision on the rehearing.

For shared meter situations, customers should contact the Long Island Office of the DPS. DPS will render an initial decision or issue a recommended decision to the Chief Executive Officer of the Authority, as appropriate.

These changes are consistent with Public Service Law § 3-b(3)(e) as amended by the LIPA Reform Act and is also consistent with Tariff changes adopted on January 1, 2016 in connection with implementation of DPS rate recommendations for 2016-2018.

### **Financial Impacts:**

We do not expect the changes to result in any financial cost or benefit to LIPA.

**Proposed Tariff Changes:**

**1. Modify Rehearing Process to Direct Rehearing Requests to DPS**

**Affected Tariff Leaves:** Leaves 5, 159, 164, and 165

**Reason for Tariff Change**

To direct requests for rehearings of the Authority's decisions on appeals to the DPS in lieu of the Chief Executive Officer of the Authority consistent with the LIPA Reform Act.

**2. Modify Shared Meter Complaint Process to Direct Requests to DPS**

**Affected Tariff Leaf:** Leaf 90

**Reason for Tariff Change**

To direct requests for review of initial determinations regarding shared meters and related charges and assessments to the DPS in lieu of the Chief Executive Officer of the Authority consistent with the LIPA Reform Act.

**Summary of Proposed Changes:**

In summary, the proposed changes to LIPA's Tariff for Electric Service will transfer the initial handling of customer petitions regarding rehearings of the Authority's decisions on appeals and shared meter determinations to the Long Island Office of the Department of Public Service ("DPS").

The proposed revised Tariff Leaf Nos. 5, 90, 159, 164, and 165 are attached.

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- (1) When a tenant ~~who rents or leases a dwelling from a landlord~~ has a service meter that also registers service that is outside the tenant's dwelling (shared metering), the tenant will not be required to pay for that service.
- (2) With regard to shared meters, the Authority shall give full effect to the rights, protections and obligations of Customers contained in Section 52 of the Public Service Law.
- ~~(3) The Manager will make any initial determinations with regard to the existence of shared metering, the actions that are appropriate to eliminate the shared meter situation, and such Charges or Fees as may be applicable in the circumstances.~~
- ~~(4) Any party that disputes all or part of the initial determination of the Manager may request a review of the Manager's initial determination from the Authority.~~
- (3) Upon receipt of information indicating that a shared meter may exist, or upon a complaint by a Customer, the Manager shall investigate and determine whether shared metering exists.
  - (a) When the Manager determines that a shared meter exists, the Manager shall provide the owner with notice thereof.
  - (b) Any Customer who filed a shared meter complaint or owner who disagrees with the Manager's determination that a shared meter exists, may request a review of the Manager's determination by writing to the NYS Department of Public Service – Long Island Office, 125 E. Bethpage Road, Plainview NY. The review will be performed in accordance with the Authority's Complaint Procedures (See Leaf Nos. 160-165).
- (4) The Manager will notify the owner or an involved third-party of his/her responsibility for the shared meter charges. An assessment, an estimated amount of charges for 12-months of all service measured by the shared meter, may also be charged to the owner.
  - (a) The Shared Meter Customer, owner, or an involved third-party, who disputes all or part of the shared meter charges may request a review of the shared meter charges by the Department.
    - (1) The Department will review the shared meter charges, determine, and advise the Manager whether and to what extent any adjustments to the charges are necessary. If adjustments are warranted the Department will instruct the Manager to correct the charges. The Department will provide a copy of the complaint to the Authority.

**IV. Overhead and Underground Distribution of Electricity (continued):**

**E. Meters (continued):**

**Number of Meters (continued):**

- (b) An owner who is billed an assessment may petition the Department for a determination that the amount of the billed assessment is excessive and that such billed assessment be adjusted accordingly.

  - (1) The Department will provide a copy of the petition to the Authority. The Department will review the petition and determine whether there is just cause for a reduction in the assessment.
- (5) Upon completion of the Department's review, it will make a written recommendation to the Authority's President and Chief Executive Officer (or his/her designee) with regard to the assessment. The written recommendation will include notification of any necessary adjustments the Manager has made to the shared meter charges pursuant to the Department's review.
- (6) The Authority's President and Chief Executive Officer will notify the owner and tenant(s) of the shared meter charges and its decision regarding any adjustment of the assessment, in writing, with a copy to the Department.

**VI. Consumer Complaint Procedures:****A. How a Customer Files a Complaint:**

1. The New York State Department of Public Service (the "Department") will accept, investigate, mediate to resolve and make recommendations to the Authority and/or the Manager regarding the resolution of complaints from consumers, other than: the NYSERDA Loan Installment Charge as set forth below.
  - ~~a) The NYSERDA Loan Installment Charge as set forth below, or~~
  - ~~b) Charges and fees associated with shared meter conditions as specified on Leaf No. 90.~~
2. If a Customer has a complaint about bills for electric service, deposit requests, negotiations for Deferred Payment Agreements, service problems or any other matter related to electric service other than ~~as set forth above in VI.A.1.,~~ the NYSERDA Loan Installment Charge, the Customer shall first make a complaint to the Authority's Manager. The Manager shall promptly investigate the complaint in a fair manner and inform the Customer of its decision orally or in writing.
3. If a complaint about bills for electric service, deposit requests, negotiations for Deferred Payment Agreements, service problems or any other matter related to electric service other than ~~as set forth above in VI.A.1.,~~ the NYSERDA Loan Installment Charge, is not resolved by the Manager to the Customer's satisfaction, the Customer may file a complaint with the Department. If the Manager resolves such a complaint in whole or in part in its favor, the Manager shall inform the Customer of the availability of the Department's complaint handling procedures, including the Department's address and phone number.
4. Customers shall direct any complaints concerning the operation of the NYSERDA Loan Installment program, including complaints concerning the amount of the NYSERDA Loan Installment, any energy efficiency work performed by the contractor, the amount of energy savings realized as a result of the improvements, or matters associated with the lender and/or the loan to NYSERDA or its designated agent.
5. Upon receipt of a complaint, NYSERDA shall notify the Manager of any amounts initially considered in dispute.
6. Consistent with §42.3 of the Public Service Law, the rights and responsibilities of residential customers participating in green jobs-green New York on-bill recovery pursuant to §66-m of the Public Service Law shall be substantially comparable to those of Customers not participating in on-bill recovery, and charges for on-bill recovery shall be treated as charges for utility service, including;
  - a) Customer shall be required to pay any amount that is not in dispute in order to continue service during the time a complaint or an appeal of a complaint is pending with NYSERDA.
  - b) Customer shall continue to receive bills from the Authority for the full NYSERDA Loan Installment Charge until the complaint is finally resolved between NYSERDA and the Customer.
  - c) Upon resolution of the complaint, NYSERDA shall determine whether the customer is entitled to any credits or other relief from the NYSERDA Loan Installments previously billed, and/or any adjustments to future NYSERDA Loan Installment Charges. Depending on such determination, the customer may be required to pay the amount in dispute in full or in part or such amount may be determined to be not due or owing. Such requirement shall not take effect until fifteen (15) days after determination is rendered.

**VI. Consumer Complaint Procedures (continued):****F. How the Authority Handles an Appeal:**

1. The Department will notify the Authority, the Manager and the Customer when an appeal is received.
2. The Department will designate someone who has not worked on the complaint before to promptly and fairly review the appeal. The Department (or its designee) will examine the papers submitted with the appeal and in the complaint file, and recommend to the President and Chief Executive Officer (or his/her designee) of the Authority in writing, a decision on the appeal, and
3. The Department (or its designee) may request from the Manager or the Customer such information as may be reasonably necessary to decide the appeal. The Manager shall submit the information requested. The Customer should submit the information requested, and if the Customer fails to do so, this circumstance may affect consideration by the Department (or its designee) and the Authority's President and Chief Executive Officer (or his/her designee) related to the decision regarding that particular fact, and
4. The Department (or its designee) may take any other action reasonably necessary to assist the President and Chief Executive Officer (or his/her designee) in reaching a fair decision, and
5. The Authority's President and Chief Executive Officer (or his/her designee) will decide the appeal and may uphold, change, reject or return the decision to the informal hearing officer or reviewer for additional consideration, and may render such decision as he or she deems fair and proper, and
6. The Customer, Manager, and the Department will be notified in writing of the Authority's President and Chief Executive Officer's (or his/her designee) decision.
7. Service will not be terminated for nonpayment of disputed amounts while an appeal is pending unless the Customer does not pay the undisputed part of any bill for service, and
8. Any interested person may request a rehearing of the Authority's decision on appeal within 30 days after the Authority's decision is served. The petition for rehearing shall be mailed to the Office of the ~~President and Chief Executive Officer, Long Island Power Authority, 333 Earle Ovington Blvd., Suite 403, Uniondale, Secretary, NYS Department of Public Service, 3 Empire State Plaza, Albany NY 4455312223-1350~~. Petitions that are untimely may be rejected.
  - a) Rehearing may be sought only on the grounds that the President and Chief Executive Officer (or his/her designee) committed an error of law or fact, or that new circumstances warrant a different determination. A petition for rehearing shall separately identify and specifically explain and support each alleged error or new circumstance said to warrant rehearing.

**VI. Consumer Complaint Procedures (continued):****F. How the Authority Handles an Appeal (continued):**

- b) Any party may respond to a petition for rehearing within 15 days of the date the petition was served on the responding party, but the Authority may deny a petition, before that time has elapsed.
  - c) The filing of a petition for rehearing does not in itself stay or excuse compliance with a decision.
9. The Department will notify the Authority, the Manager and the Customer when a petition for rehearing is received.
10. The Department (or its designee) will review the petition for rehearing and will issue in writing a recommended decision on the petition to the Authority's President and Chief Executive Officer (or his/her designee).
11. The Authority's President and Chief Executive Officer (or his/her designee) will decide the rehearing petition, and notify all parties of his or her decision.
- 9.12. The Authority may settle an appeal at any time. Any settlement shall be in writing, shall state that it is final and binding on the Customer, the Manager, and the Authority and may not be further reviewed or reheard, and shall be subject to the approval of the Authority's President and Chief Executive Officer (or his/her designee).



**VI. Consumer Complaint Procedures (continued):**

**[Cancelled]**