

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 March 1, 2014 to: (1) authorize the billing of securitization charges on behalf of the Utility Debt Securitization Authority; (2) restructure the Energy Efficiency Cost Recovery Rate; (3) update Delivery Charges consistent with the approved LIPA budget for 2014; and (4) to make miscellaneous changes that more closely align LIPA's tariff with current PSC policies.

Proposal:

LIPA's approved budget for 2014 incorporates a level of revenues that assumes no increase in rates, other than changes to the Power Supply Charge (also known as the Fuel and Purchased Power Cost Adjustment). As presented in the budget, however, a number of revenue-neutral changes are required to accommodate aspects of the LIPA Reform Act of 2013, accomplish the rate freeze for 2014, and bring the Tariff more into line with Public Service Commission policies for the regulated, investor-owned, utilities. These proposed changes will not materially change the rates paid by customers in the affected rate classes.

Staff proposes that all these changes become effective on March 1, 2014.

Securitization Charges

The LIPA Reform Act established the creation of the Utility Debt Securitization Authority for the sole purpose of securitizing a portion of the Authority's debt. The Restructuring Cost Financing Order approved by the LIPA Trustees on October 3, 2013 calls for recovery of the Initial and Ongoing Financing Costs of the Utility Debt Securitization Authority from Customers through a Securitization Charge. The Securitization Charge imposed on Customers will be determined by, and owed to, the Utility Debt Securitization Authority, with LIPA serving the role as Servicing Agent on behalf of the Utility Debt Securitization Authority. Imposition of the Securitization Charge will continue until all Initial and Ongoing Financing Costs of the Utility Debt Securitization Authority have been recovered.

The Utility Debt Securitization Authority will approve the appropriate level of the Securitization Charge, which will change from time to time at their discretion, sufficient to meet the objectives and obligations of the Utility Debt Securitization Authority, which LIPA will bill and collect from Customers.

Concurrently, Staff proposes to create a Securitization Offset Charge. The Securitization Offset Charge reduces the revenues due to the Long Island Power Authority by the amount that is being collected by LIPA on behalf of the Utility Debt Securitization

Authority, after adjusting for the impact of Payments in Lieu of Revenue Taxes (“Revenue PILOTs”) and the New York State Assessment. The Utility Debt Securitization Charge and the Securitization Offset Charge will be applied to all kWhs of Delivery Service based on the date on which that usage was billed, regardless of the date on which the energy was delivered or consumed.

Restructure the Energy Efficiency Cost Recovery Rate.

Staff proposes to modify the Energy Efficiency Cost Recovery Rider that recovers the costs of LIPA’s energy efficiency programs. The proposed cost recovery rider will be the same charge per kWh to all customers, as opposed to the separate recovery charges for small and large customers that exists today. Coincident with consolidating the energy efficiency cost recovery rider, Staff is also recommending the transfer of lost revenues to base rate delivery charges. This transfer removes from the energy efficiency cost recovery the impact of the historic level of lost revenues created by the energy efficiency programs. Once the lost revenues have been transferred to the Delivery Charge, they will no longer be separately tracked, nor will they be specifically updated to keep track with future performance achieved through the Efficiency and Renewables Charge. Delivery revenues could only be updated through a specific proposal to the Trustees.

Lastly, Staff is proposing to remove the provisions for revenue and expense true-ups from the Efficiency and Renewables Charge. Under the new pricing and operations environment created by the LIPA Reform Act, LIPA has a goal to maintain its delivery rates¹ at their 2013 level. A true-up mechanism is inconsistent with such a rate goal. Furthermore, the amended and expanded Operating Services Agreement explicitly allows PSEG-LI to transfer budget dollars between functions and activities. To have a true-up mechanism on a portion of LIPA’s costs (efficiency and renewable resources) without a corresponding true-up on the costs for the Delivery Charge creates imbalances and risks that were not anticipated by the limited true-up mechanism.

The proposed modification to LIPA’s Energy Efficiency Cost Recovery Rate makes it more consistent with the Systems Benefits Charge (SBC) authorized by the New York Public Service Commission (PSC) for the regulated utilities in New York State to fund energy efficiency programs.

¹ For purposes of the rate goal, delivery rates include all rate elements excluding the Power Supply Charge.

Existing and Proposed Energy Efficiency Cost Recovery Rate

Utility	Rate (\$ per kWh)
LIPA Existing ¹ (Small)	\$0.003393
LIPA Existing ¹ (Large)	\$0.003614
Central Hudson	\$0.004230
Niagara Mohawk	\$0.004208
Orange & Rockland	\$0.003950
Rochester Gas & Electric	\$0.003519
LIPA Proposed	\$0.003496
Consolidated Edison	\$0.003400
New York State Electric and Gas	\$0.003363

¹ excluding recovery of Lost Revenues.

Reset Delivery Rates to Achieve Rate Neutrality consistent with the Goals of the LIPA Reform Act.

Staff proposes to modify its delivery rates for residential and commercial customers to maintain rate neutrality as a result of the termination of the Payment in Lieu of Taxes (“PILOTS”) on Gross Income applicable to LIPA and the expiration of an amortization related to the New York State Assessment. Effective January 1, 2014 the LIPA Reform Act repealed the applicability of section one hundred eighty-six and one hundred eighty-six b of the New York State Tax law to LIPA, which imposed a PILOT of 0.75% on revenues. Staff is recommending the transfer of revenue equivalent to the Authority’s savings (approximately \$26 million) to the Delivery Charge so that there is no increase or decrease in current rates.

The New York State Assessment was first imposed on LIPA effective April 1st, 2009. However, its recovery in rates was deferred until January 1st of 2010. Therefore, the Tariff authorized the amortization of the Assessment related to the nine months of 2009 in equal installments of \$6.9 million per year over the next four years (the “temporary” period specified in the Legislation). Now that the amortization period has expired, Staff proposes to transfer approximately \$6.9 million per year currently recovered through rates into Delivery Charge so there is no increase or decrease in current rates.

Miscellaneous Changes

Expand the Definition of the New York State Assessment. The New York State Assessment currently recovers the costs imposed on LIPA under Section 18-A(6) of the Public Service Law. With the passage of recent legislation, LIPA is also subject to

Section 18-A(2) of the Public Service Law, but the new legislation provides that the combined assessment under PSL 18-A (2) and (6) will not exceed 1% of intra-state operating revenue, which is the current level of the 18-A(6) assessment. Staff proposes to include both components of Section 18-A in the New York State Assessment factor which will remain at a constant 1% of revenue according to the LIPA Reform Act, and cause no increase or decrease in current rates.

Cancel Service Classification No. 15 – Supplemental Service. Supplemental Service relates to customers with sources of electric generation not supplied by LIPA, such as on-site generation. Supplemental Service provides the electricity that is in addition to the electricity normally provided from the non-Authority supply. Service Classification No. 15 was created in January 2001 “to attract additional on-site generation to help meet the need for additional capacity on Long Island; encourage customers with on-site generation to choose LIPA’s electric supply in the non-summer months; and encourage customers with on-site generation to consider the use of non-LIPA electric supply during summer business hours (12 noon to 8 p.m., Monday through Friday, June through September)”². It was created by separating Supplemental Service from Service Classification No. 12 – Backup and Maintenance Service. There are no customers receiving service under Service Classification No. 15 and Staff proposes to simplify the Tariff by eliminating Service Classification No. 15 and introducing wording within Service Classification No. 12 to indicate that customers may purchase supplemental service by paying the rates from the service classification they would otherwise qualify for. The terms for providing Back-up and Maintenance Service under Service Classification No. 12 are unchanged.

Staff also proposes to eliminate the distinction under Service Classification No. 12 – Backup and Maintenance Service between customers with or without a host load. Currently, rate code 680 applies to Back-up and Maintenance Service customers serve a host load. Rate code 681 applies to Back-up and Maintenance Service to generators that do not have a host load to support, so that LIPA is only required to provide a minimal amount of power³ to “keep the lights on” at the generating facility. Only one customer today pays the rates associated with Rate Code 680 and Staff believes that having two sets of rates is an unnecessary distinction.

Net Metering. The New York Public Service Commission recently⁴ ordered the regulated utilities to raise their cap on net metering⁵ to 3% of their peak load in 2005, up from 1%. Last year, and well in advance of the Commission’s decision, LIPA’s trustees authorized an increase in the cap on net metering to 150 MW, which is 2.9% of LIPA’s peak load in 2005. Staff requests an increase in the cap on net metering to 153.5 MW to match the 3% cap authorized in the rest of New York State for applicable technologies.

² See Trustee Resolution, January 23, 2001.

³ This minimal requirement is known as Station Service.

⁴ On June 13, 2013 in Cases 12-E-0485 through 12-E-0490.

⁵ This cap excludes wind customer-generation, which has a separate net metering cap of 15.3 MW as specified in PSL 66-l. No change in the cap on wind net metering is proposed.

Staff also proposes to make explicit in the Tariff the treatment of excess generation for customers on time-of-use rates. The practice at LIPA has been that energy generated in a given rating period can only be credited back to that same rating period. For example energy generated in the on-peak hours can only be used to offset energy consumed in the off-peak hours. On-peak generation cannot be used to reduce consumption in the off-peak period (or vice versa). This practice is consistent with the manner in which the net metering laws (Public Service Law 66-j and 66-l) have been implemented for the regulated electric utilities in the State.

Remote Net Metering. Staff is requesting that the Tariff be modified to update the eligibility requirements of the remote net metering provisions to conform with recent updates to Public Service Law 66-j. This update would permit a farm operation or a non-residential customer generator with eligible fuel cell or micro-hydroelectric generating net-metering equipment to designate credits to any other property owned or leased by such customer-generator within the LIPA service territory.

Daylight Savings Time. Staff is requesting to update language in the tariff regarding Daylight Savings Time for the Residential Voluntary Time of Use rates. The Tariff defines the hours in the on-peak and off-peak periods as if Daylight Savings Time was applicable all year long. This happened because the first generation residential time-of-use meters (TOU) were mechanical and could not change from Standard Time to DST and back as needed during the year. Today, solid state meter technologies can accommodate changing from Standard Time to DST and back as needed and therefore can be programmed to operate according to the prevailing time. Accordingly, the tariff language change proposed will enable residential TOU customers who have new meters to be billed under prevailing time, making the on-peak and off-peak hours more intuitive to the customers and easier to understand. Existing residential TOU customers will continue to be billed under their previously assigned DST parameters until their meters can be reprogrammed or replaced.

Financial Impacts:

No significant financial impacts are anticipated as a result of these proposed changes to the LIPA Tariff. Consistent with the goals of the LIPA Reform Act, all of the proposed changes are designed to maintain LIPA's rates at their 2013 approved levels, excluding the Power Supply Charge (also known as the Fuel and Purchased Power Cost Adjustment). The following rate impact table illustrates that the overall change to electric revenues is approximately \$2 million or .057% above the 2013 budgeted level. This results solely from rounding of LIPA's rates.

Impact on Projected Revenues in 2014 from the Proposed Tariff Changes
(Dollars in Millions)

Rate Categories	Residential			Commercial			Other (Incl. LI Choice)			Total		
	Current	Proposed	Delta	Current	Proposed	Delta	Current	Proposed	Delta	Current	Proposed	Delta
Delivery Charge	\$971	\$1,017	\$46	\$679	\$707	\$28	\$115	\$120	\$5	\$1,765	\$1,844	\$79
Power Supply	782	782	-	650	650	-	92	92	-	1,524	1,524	-
E&R Charge	61	34	(27)	43	29	(14)	8	5	(3)	112	68	(44)
Suffolk Settlement	22	22	-	16	16	-	3	2	(1)	41	41	-
NYSA Charge	22	19	(3)	17	14	(3)	3	3	-	42	35	(7)
Revenue PILOT	46	31	(15)	16	5	(11)	2	1	(1)	63	37	(26)
Total Revenue	\$1,903	\$1,905	\$1	\$1,421	\$1,421	\$0	\$223	\$223	\$0	\$3,547	\$3,549	\$2
Average Rate (¢/kWh)	19.41	19.42	0.01	16.56	16.56	0.00	6.27	6.27	0.00	17.51	17.52	0.01

Note: totals may not add due to rounding

Proposed Tariff Changes:

Utility Debt Securitization Authority

1. **Insert language authorizing the billing and collection of the Securitization Charge and the associated payment obligations and policies regarding collection and termination.**

Affected Tariff Leaves: Leaf 42, 49, 103, 113, 115, 119, 144, 157, and 326.

Reason for Tariff Change

To incorporate the Utility Debt Securitization Authority charges authorized under the LIPA Reform Act of 2013.

2. **Create the Securitization Offset Charge in Section VII – Adjustments to Rates and Charges of Service Classifications and references to Adjustments to Rate and Charges for Participating Customers.**

Affected Tariff Leaves: Leaves 100, 181, 182I, 182J, 186, 192, 195, 198, 201, 206, 213, 220, 227, 238, 241, 245, 248, 265, 272, 279I, 279J, and 313.

Reason for Tariff Change

To implement the Securitization Offset Charge.

Energy Efficiency Cost Recovery Rate

3. **Remove language for Lost Revenues and Reference to Under (Over) recovery.**

Affected Tariff Leaves: Leaves 182A, 182B.

Reason for Tariff Change

One time transfer of Lost Revenues to Delivery Rates.

4. **Modify Language to have the same charge per kWh for all service classifications.**

Affected Tariff Leaves: Leaves 182A, 182C.

Reason for Tariff Change

To make the Efficiency & Renewables Charge similar to New York State's Systems Benefits Charge.

Reset Delivery Rates to achieve rate neutrality with LIPA Reform Act

5. Expand the Costs Recoverable under the New York State Assessment.

Affected Tariff Leaf: Leaf 182H

Reason for Tariff Change

To reflect changes in State Law.

6. Update Delivery Rates to Transfer Lost Revenues, Adjust for New York State Assessment and the Gross Receipts Tax

Affected Tariff Leaves: Leaves 184, 185, 190, 191, 195, 197, 201, 205, 212, 213, 219, 226, 227, 238, 241, 244, 245, 248, 264, 279I, and 313.

Reason for Tariff Change

To transfer tariff charges between riders and delivery rates to achieve rate neutrality.

Miscellaneous Tariff Changes

7. Insert language for Residential Time of Use Customers regarding Daylight Savings Time.

Affected Tariff Leaf: Leaf 99.

Reason for Tariff Change

To incorporate language indicating all new or replaced time of use meters will record usage on prevailing time.

8. Cancel Service Classification No. 15.

Affected Tariff Leaf: Leaves 34, 182C, 197, 204, 211, 218, 225, 268, 279A-279F, 279H, 281, 316 and EER Statement

Reason for Tariff Change

To remove an unused rate option

9. Eliminate the Separate Pricing for Rate Code 680 under Service Classification No. 12

Affected Tariff Leaf: Leaves 261, 262, 263, 264, 265, and 269.

Reason for Tariff Change

To simplify the pricing for Back-up and Supplemental Service.

10. Increase the Cap on Net Metering

Affected Tariff Leaf: Leaf 34B

Reason for Tariff Change

To reflect changes in the net metering policies of the Public Service

11. Clarification of Energy Credits for Multiple Rate Period Customers

Affected Tariff Leaves: Leaf 34F, 34F-1, 34G, 34H and 34I.

Reason for Tariff Change

To clarify that net metered customers with multiple rating periods will receive energy credits that are tracked separately for each rating period.

12. Update the Table of Contents and Abbreviations and Definitions.

Affected Tariff Leaves: Leaves 6, 6a, 12, and 15.

Reason for Tariff Change

To include the Securitization Charge and Securitization Offset Charge in the Table of Contents and to define the terms “Base Rates” and “Delivery Service.”

Summary of Proposed Changes:

The proposed changes will authorize the recovery of charges owned by the Utility Debt Securitization Authority, restructure the Energy Efficiency Cost Recovery Rate to better reflect PSC rate policy, revise the Delivery Charges in a revenue-neutral manner, and implement several miscellaneous changes that will bring LIPA’s Tariff into closer conformance to State policy.

The proposed revised Tariff Leaf Nos. 6, 6a, 12, 15, 34, 34B, 34F, 34F-1, 34G, 34H, 34I, 42, 49, 99, 100, 103, 113, 115, 119, 144, 157, 181, 182A, 182B, 182C, 182H, 182I, 182J, 184, 185, 186, 190, 191, 192, 195, 197, 198, 201, 204, 205, 206, 211, 212, 213, 218, 219, 220, 225, 226, 227, 238, 241, 244, 245, 248, 261, 262, 263, 264, 265, 268, 269, 272, 273, 279A, 279B, 279C, 279D, 279E, 279F, 279H, 279I, 279J, 281, 279I, 279J, 313, 316, 326 and the draft restructured Statement of Energy Efficiency Cost Recovery Rate and the draft Statement of Securitization Charges are attached. The updated New York State Assessment Statement and the Gross Receipts Tax PILOT Payments Statements are also attached, for reference only.

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I. General Information (continued):**B. Abbreviations and Definitions (continued):**

Applicants: (See *Customer*. The term "Applicant" may be used interchangeably with "Customer.") A person or any other entity requesting electric service from the Authority orally or by completely filling out the proper application request form.

Residential Applicants do not need to apply directly, but may do so through a person or governmental agency. All Applicants must first meet these conditions for their applications to be considered:

1. The electric service provided cannot be resold or delivered to others.
2. The Applicant must own or occupy the premises to be supplied with electricity.

Appurtenant Facilities: The additional equipment on an electric line that aids the safe and reliable transportation and distribution of electric energy.

Arrears: Charges on Customers' bills that are not paid within twenty (20) calendar days of receiving the bill.

Authority: The Long Island Power Authority. Depending on usage, this term may include or refer to the Authority's subsidiary which owns the electric transmission and distribution system, and/or the Manager which is responsible for providing services on behalf of the Authority under the terms of the Management Services Agreement.

B

Backbill: Charges not previously billed to the Customer for service delivered before the period the Customer is currently being billed for.

Balanced or Budget Billing Plan (also referred to as a Levelized Payment Plan): A payment plan that reduces fluctuations in energy bills by averaging the Customer's usage over a recent 12-month period.

Base Rates: The rates and charges specified in the Tariff excluding Section VII, X, XI and XII.

Base Rate Energy Charge: Any charge for service identified in Section VIII of the Tariff that applies to the kWh consumption of a Customer. Base Rate Energy Charges do not include the Adjustments to Rates and Charges identified in Section VII of this Tariff.

Billing Cycle: Monthly or bimonthly frequency that Customers' meters are read.

Building: A structure, enclosed in exterior walls or fire walls, that is designed and built for human use.

Business Day: Any weekday the Authority's offices are open.

Bypass Customer: A Customer who has cost-effective alternatives to Authority-supplied electricity and is willing to use those alternatives.

I. General Information (continued):**B. Abbreviations and Definitions (continued):****Customer or Consumer (continued):**11. Seasonal Customer

A Customer who applies for and receives electric service at intervals during the year, or at other irregular intervals.

12. Short-Term or Temporary Customer - Non-Residential

A Non-residential Customer who requires temporary service for no longer than two (2) years.

13. Short-Term or Temporary Customer - Residential

A Residential Customer who requires temporary service for no longer than one (1) year.

Customer-generator: A Residential, Non-residential or Farm Service Customer of the Authority who owns and/or operates electric generating equipment. Customer-generators may be eligible for net metering. See definitions of Solar Electric Generating Equipment and Wind Electric Generating Equipment for further details.

Cycle Billing: Billing from the reading of meters on a regular interval. In general, there are twenty (20) business days in each month. Each business day is called a cycle and numbered. The cycle is the interval between that cycle number in the previous and current month. Each Customer's meter is read on or near the same cycle number every month or every other month.

D

Deferred Payment Agreement: A written agreement for the payment of outstanding charges over a fixed period of time.

Delinquent Customer: A non-residential Customer who has made two (2) or more late payments within the last twelve (12) months, or a residential Customer who has not paid a properly presented bill for electric service, either in full or an agreed-upon partial payment, by the "Pay by" date on the bill.

Delivery Service: The transmission and distribution of electricity to a Customer.

Demand: Power requirements placed on the utility system by a Customer or group of Customers. It is expressed in kilowatts, kilovoltamperes, or any other suitable unit and averaged over a fifteen (15) minute period. (See *Power*)

1. Coincidental Demand

When the maximum demand of a Customer or Customers occurs at the same time as the maximum demand of all other Customers.

2. Noncoincidental Demand

When the maximum demand of a Customer or Customers does not occur at the same time as the maximum demand of all other Customers.

I. General Information (continued):**C. General Terms and Conditions (continued):****14. Customer-Owned Electric Generating Equipment****a) ~~Supplemental Service and~~ Back-Up and ~~Maintenance~~Supplemental Service**

Except where specifically provided for (See C.7.a)(4)), ~~Supplemental Service and~~ Back-Up and ~~Maintenance~~Supplemental Service will be provided under Service Classification Nos. ~~15 and 12, respectively.~~

b) Emergency Generating Facilities

- (1) The Customer may use emergency standby generating equipment to supply its load during an interruption of the Authority's service, or an Authority-announced voltage reduction, if
- (2) The Customer's wiring and switching equipment will prevent operation of the standby generator when the Authority's service is being provided and will prevent the Customer's current from flowing into the Authority's lines as covered in the Authority booklet, *Specifications and Requirements for Electric Installations*.
- (3) Where Customers are permitted to use standby generating equipment in ways other than provided in (1) or (2) above, those Customers shall take service under Service Classification Nos. ~~12 and/or 15.~~

c) Co-generation and Small Power Production Facilities

The Authority will:

- (1) Provide Back-Up power to, or purchase power from a qualifying cogeneration or small power production facility as defined by the Federal Energy Regulatory Commission, under Section 210 of the Public Utility Regulatory Policies Act of 1978, if
- (2) That facility enters into an Interconnection Agreement (IA) with the Authority and takes service under Service Classification Nos. ~~11 and/or 12 and/or 15.~~

d) Requirements for Installation and Operation of Electric Generating Equipment

- (1) Customers who own electric generators in parallel with the Authority's system must enter into an "Interconnection Agreement" (IA) with the Authority.
- (2) Customers who install and operate electric equipment connected to, but not operated in parallel with, the Authority's system must comply with the Authority's "*Specifications and Requirements for Electric Installation*".
- (3) Customers who install and operate electric equipment in parallel with the Authority's system must comply with the Authority's "*Smart Grid Small Generator Interconnection Procedures*".

I. General Information (continued):**C. General Terms and Conditions (continued):****Net Metering (continued):****b) Total Capacity Limitations on Net Metering for Customer-Generators**

- (1) The Authority will sign a contract with each of the Residential and Non-residential Solar, Farm Waste, Micro-Combined-Heat-and-Power, Micro-Hydroelectric and Fuel Cell Customer-generators meeting all applicable requirements on a first come, first served basis, until the total rated generating capacity for Solar, Farm Waste, Micro-Combined-Heat-and-Power, Micro-Hydroelectric and Fuel Cell Electric Generating Equipment owned and/or operated by Customer-generators in the Authority's Service territory is equal to ~~15,000~~15,300 kW, which ~~exceeds the minimum one and three~~ percent (~~13.0~~0.3%) of the Authority's electric peak demand for the year 2005 that is required by law.
- (2) The Authority will sign a contract with each of the Residential, Farm Service and/or Non-residential Wind Customer-generators meeting all applicable requirements on a first come, first served basis, until the total rated generating capacity for Wind Electric Generating Equipment owned or operated by the Customer-generators in the Authority's service territory is equal to 15,300 kW, which represents three-tenths percent (0.3%) of the Authority's electric peak demand for the year 2005.
- (3) The Authority reserves the right to authorize additional generating capacity.

c) Requirements for Installation and Operation

- (1) Wiring and switches for Solar, Farm Waste, Micro-Combined-Heat-and-Power, Micro-Hydroelectric, Fuel Cell, Wind or Hybrid Electric Generating Equipment, owned and/or operated by Customer-generators to supply their load and feed energy to the Authority's electric system, shall be arranged in parallel so as to permit the flow of current from the Authority to the Customer-generator and vice-versa.
- (2) Solar, Farm Waste, Micro-Combined-Heat-and-Power, Micro-Hydroelectric, Fuel Cell, Wind or Hybrid Electric Generating Equipment installed in parallel with the Authority's system must comply with the Authority's "*Smart Grid Small Generator Interconnection Procedures*".
- (3) The Authority shall require a Customer-generator who owns and/or operates Farm Waste, Micro-Combined-Heat-and-Power, Micro-Hydroelectric, Fuel Cell, Wind, Solar or Hybrid Electric Generating Equipment to pay for the installation of dedicated transformer(s) if it is determined that dedicated transformer(s) is (are) necessary to protect the safety and adequacy of electric service provided to other Customers.
- (4) The Authority may require a Customer-generator who owns and/or operates Solar, Farm Waste, Micro-Combined-Heat-and-Power, Micro-Hydroelectric, Fuel Cell, Wind or Hybrid Electric Generating Equipment to comply with additional safety or performance standards than those specified in the Authority's "*Smart Grid Small Generator Interconnection Procedures*", perform or pay for additional tests, or purchase additional liability Insurance when the total rated generating capacity of the electric generating equipment that provides electricity to the Authority through the same local feeder line exceeds twenty (20%) of the rated capacity of the total feeder line.

I. General Information (continued):**C. General Terms and Conditions (continued):****Net Metering (continued):**

- (2) For eligible Residential Customer-generators with solar or wind or Micro-Hydroelectric electric generators whose rated capacity is equal to or less than 25kW, or for eligible Residential Customer-generators with hybrid systems where the combination of the rated capacity of the Solar or Micro-Hydroelectric and Wind Electric Generating Equipment of the hybrid system is equal to or less than 25 kW, in the event that the amount of electricity provided to the Authority by the Customer-generator during the billing period exceeds the amount of electricity provided by the Authority to the Customer-generator, the Authority shall apply a credit to the next bill for service at the same rate per kilowatt-hour applicable to service provided to other residential Customers in the same service class who do not generate electricity on site. (See table "Summary of Eligibility for Net Metering" on Leaf 34G).
- (3) For eligible Farm Service Customer-generators with Wind Electric Generating Equipment whose rated capacity is equal to or less than 500 kW, and for Hybrid Systems with Wind Electric Generating Equipment greater than 25 kW and Solar Electric or Micro-Hydroelectric Generating Equipment equal to or less than 25 kW, in the event that the amount of electricity provided by the Customer-generator to the Authority during the billing period exceeds the amount of electricity provided by the Authority to the Customer-generator, the Authority shall apply a credit to the next bill for service at same rate per kilowatt-hour applicable to service provided to other Residential Customers in the same service class who do not generate electricity on site. See table "Summary of Eligibility for Net Metering" on Leaf 34G).
- (4) For eligible Farm Service Customer-generators with Farm Waste Electric Generating Equipment whose rated capacity is equal to or less than 1,000 kW, in the event that the amount of electricity provided by the Customer-generator to the Authority during the billing period exceeds the amount of electricity provided by the Authority to the Customer-generator, the Authority shall apply a credit to the next bill for service at the same rate per kilowatt-hour applicable to service provided to other customers in the same service class who do not generate electricity on site. (See table "Summary of Eligibility for Net Metering" on Leaf 34G).
- (5) For eligible Residential Customer-generators with Micro-Combined-Heat-and-Power Electric Generating Equipment whose rated capacity is at least 1 kW and equal to or less than 10 kW, or for Fuel Cell Electric Generating Equipment whose rated capacity is equal to or less than 10 kW, in the event that the amount of electricity provided by the Customer-generator to the Authority during the billing period exceeds the amount of electricity provided by the Authority to the Customer-generator, the Authority shall apply a credit to the next bill for service at the SC-11 Avoided Cost Rate per kilowatt-hour. ~~For eligible Non-residential Customer-generators with Solar, Wind, Micro-Hydroelectric or Hybrid electric generating equipment whose rated capacity is equal to or less than 2,000 kilowatts, in the event that the amount of electricity provided to the Authority by the Customer-generator during the billing period exceeds the amount of electricity provided by the Authority to the Customer-generator, the Authority shall apply a credit to the next bill for service at the same rate per kilowatt-hour applicable to service provided to other Non-residential Customers in the same service class who do not generate electricity on site.~~

I. General Information (continued):**C. General Terms and Conditions (continued):****Net Metering (continued):**

- (6) For eligible Non-residential Customer-generators with Solar, Wind, Micro-Hydroelectric or Hybrid electric generating equipment whose rated capacity is equal to or less than 2,000 kilowatts, in the event that the amount of electricity provided to the Authority by the Customer-generator during the billing period exceeds the amount of electricity provided by the Authority to the Customer-generator, the Authority shall apply a credit to the next bill for service at the same rate per kilowatt-hour applicable to service provided to other Non-residential Customers in the same service class who do not generate electricity on site.
- (7) For eligible Non-residential Customer-generators with Fuel Cell Electric Equipment whose rated capacity is equal to or less than 1,500 kW, in the event that the amount of electricity provided by the Customer-generator to the Authority during the billing period exceeds the amount of electricity provided by the Authority to the Customer-generator, the Authority shall apply a credit to the next bill for service at the SC-11 Avoided Cost Rate per Kilowatt-hour.
- (8) For Non-residential Customer-Generators that are served under a rate code with demand charges, the monthly billing demand is determined by the maximum measured kilowatt demand actually supplied to the Customer-Generator during the billing period.
- (9) For Customer-generators served under a rate code with multiple rating periods, excess generation in one rating may not be used to reduce the billed consumption in a different rating period. Each rating period will be treated separately when calculating and applying any credits.

I. General Information (continued):

C. General Terms and Conditions (continued):

Net Metering (continued):

Summary of Eligibility for Net Metering

Segment	Installed Generating Capacity	Excess Generation in Billing Period*	Excess Generation on Anniversary Date*
Residential Customer-Generator	Not to exceed 25 kW in any combination of solar and/or wind electric generation	Carried forward for credit at retail rate in subsequent months	Purchased by the Authority at the Avoided Cost Rate on leaf 34H.
	At least 1 kW and not to exceed 10 kW of micro-combined-heat-and-power and/or fuel cell electric generation	Purchased by the Authority at the Avoided Cost Rate on leaf 34H	Not applicable
Farm Service Customer-Generator	Solar electric generating equipment not to exceed 25 kW	Carried forward for credit at retail rate in subsequent months	Purchased by the Authority at the Avoided Cost Rate on leaf 34H.
	Wind electric generating equipment not to exceed 500 kW	Carried forward for credit at retail rate in subsequent months	Purchased by the Authority at the Avoided Cost Rate on leaf 34H.
	Farm waste electric generating equipment not to exceed 1,000 kW	Carried forward for credit at retail rate in subsequent months	Purchased by the Authority at the Avoided Cost Rate on leaf 34H.
	Any combination of solar, wind and farm waste electric generating equipment not to exceed 1000 kW total, of which solar cannot exceed 25 kW solar	Carried forward for credit at retail rate in subsequent months	Purchased by the Authority at the Avoided Cost Rate on leaf 34H.
Non-residential Customer-Generator	Not to exceed 2,000 kW	Carried forward for credit at retail rate in subsequent months	Purchased by the Authority at the Avoided Cost Rate on leaf 34H.
Any Customer that exceeds the Limits specified above or installs electric generating equipment that does not qualify for Net Metering or Remote Net Metering		Not eligible for Net Metering. Energy may qualify for purchase under SC-11.	Energy may qualify for purchase under SC-11.
* Note: <u>Excess Generation in one rating period may not be used to reduce the billed consumption in a different rating period.</u> On termination of service, any remaining excess generation will be purchased by the Authority at the Avoided Cost Rate on leaf 34H for the month in which service was terminated.			

I. General Information (continued):**C. General Terms and Conditions (continued):****Net Metering (continued):**

- (910) At the end of the first year that service was supplied to a Solar, Wind, Micro Hydroelectric and Farm Waste Customer-generator by means of net metering, and every anniversary date thereafter, the Authority shall promptly thereafter issue payment to the Customer-generator for any value of the remaining credit for the net (excess) electricity provided to the Authority by the Customer-generator during the previous twelve (12) month period. The payment issued to the Customer-generator shall be equal to the product of the remaining excess (net) energy generated by the Customer-generator times the corresponding avoided energy prices.
- (101) For Customer-generators that terminate service or become ineligible for net metering, the Authority shall promptly thereafter issue payment to the Customer-generator for any value of the remaining credit for the net (excess) electricity provided to the Authority by the Customer-generator. The payment issued to the Customer-generator shall be equal to the product of the remaining excess (net) energy generated by the Customer-generator times the avoided energy prices.
- (142) The avoided cost rates to be used to issue payment to Customer-generator for energy sold to the Authority by the Customer-generator will be determined based on the simple average of the Zone K Day-Ahead Locational Based Marginal Prices (LBMP). Monthly and Time-of-Use energy payments will be shown each month on a separate Statement of Market Energy Prices attached to the tariff.

I. General Information (continued):**C. General Terms and Conditions (continued):**16. Remote Net Metering:a) Customer Requirements and Eligibility

- (1) Non-Residential Solar Electric Customer-generators, ~~and~~ Farm Waste Customer-generators, ~~are eligible for remote net metering~~ Farm Customers who operate Micro-Hydroelectric generators, Non-Residential Micro-Hydroelectric Customer generators, Non-Residential Fuel Cell Generators, and Farm Customers who operate Fuel Cell generators as defined in Public Service Law ("PSL") 66-j. Non-Residential Wind Customer-generators and Farm Wind Customer-generators are eligible for remote net metering as defined in Public Service Law ("PSL") 66-l.
- (2) A Customer-generator who qualifies as stated above may designate all or a portion of their excess net metering credits generated by such equipment to any account in the same name as the Customer-generator. LIPA reserves the right to obtain proof that all accounts are held by the qualifying Customer-generator. For purposes of remote net metering, the account where the generator is connected will be defined as the Host account and those eligible accounts that are designated by the Host account to receive excess net metering credits will be defined as Satellite accounts.
- (3) The terms and conditions for net metering applicable to the Host Account are contained in Section I.C.15, except as modified below.

b) Net Metering Credits

- (1) The Host account must designate their Satellite accounts and the percentage of their net metering credits designated to these Satellite accounts when submitting their initial remote net metering application. After the initial application, the Host account may designate additional Satellite accounts or delete existing Satellite accounts from the Customer's remote net metering arrangement to be effective on January 1 of each year thereafter, with 30 days advance notice.
- (2) The Satellite account must meet the following requirements:
 - a) The Satellite account must be designated as premises owned or leased by the non-residential Host account and in the same name within LIPA's billing system as the Host account Customer-generator.
 - b) Both the Satellite account and the Host account must be within LIPA's service territory
 - c) The Satellite account must be in the same load zone as the Host account as of the date of the initial application of the Host account to be eligible for remote net metering and must remain in the same load zone as the Host account to continue to be eligible to receive excess net metering credits.
 - d) Only one Host account can be designated for each remote net metering arrangement and no Satellite account can be a Customer-generator.

II. How to Obtain Service (continued):**B. Nonresidential Application Procedure (continued):****Required Written Application Information (continued):**

- e) Identification of who controls access to the meter(s), if not the Applicant.
- f) Upon request, additional information and/or documents to verify the application information.
- g) Signature of the Applicant or an authorized Agent of the Applicant. The Authority may request proof of the authorization of the Agent.
- h) The Corporate Seal stamped on the application of a corporation.

4. Incomplete Applications

- a) If an Applicant submits an incomplete application, the Authority will notify the Applicant, in writing, within three (3) business days of receiving the application.
- b) The notice will detail the information and/or documents that need to be submitted to complete the application.
- c) This notice is not a denial of the application.

5. Additional Requirements For Application Approval

- a) The intended use of the electric service shall comply with the Authority's Tariff and with any state, city, or local laws or ordinances that may apply.
- b) Payment in full of any unpaid balances owed to the Authority by the Applicant, not including amounts that are part of an unresolved bill dispute or part of an existing Deferred Payment Agreement in good standing.

The amount due may include charges for:

- (1) Service provided and billed to prior account(s) in the Applicant's name or for which the Applicant is legally responsible.
- (2) Other Tariff fees, charges, or penalties.
- (3) Reasonable charges for material and installation costs relating to temporary or permanent line extensions and service lines, as required by the Authority's Tariff, if these costs are itemized and given to the Applicant in writing.
- (4) Special services billable under the Authority's Tariff, if these costs are itemized and given to the Applicant in writing.
- (5) Security deposit, if requested by the Authority, and if the deposit complies with this Tariff.
- (6) Outstanding NYSERDA Loan Installment Charges billed to prior account(s) in the Applicant's name or for which the Applicant is legally responsible.

(7) Securitization Charge.

II. How to Obtain Service (continued):**D. General Obligations of the Authority and Applicants (continued):**5. Applicant Payment Obligationsa) Service

The Applicant agrees to pay the Authority for the electricity used, at the same rate the Authority charges similar Customers.

b) Nonresidential Customers will pay the "Service Initiation Charge" as indicated under "Charges for Miscellaneous Services" on Leaf No. 106A when service is initiated.

c) Residential and Nonresidential Customers shall pay any NYSEERDA Loan Installment Charges billed after the date when service is initiated.

d) Residential and Nonresidential Customers shall pay any Securitization Charges billed after the date when service is initiated.

de) Right-of-Way Agreement(s)

(1) The Applicant shall agree to obtain and to pay for any necessary private Right-of-Way agreement(s), or

(2) The Applicant shall, in writing:

(a) State that the Applicant is unable to obtain the agreement(s), and

(b) Request that the Authority do so, and

(c) Agree to pay the Authority the cost, either in advance or according to a specific schedule, to obtain the necessary private Right-of-Way agreement(s).

ef) Materials and Installation

The Applicant shall agree, in writing, to pay the reasonably chargeable costs for that part of the distribution line, including service line and accessory equipment, that is above the allowances provided by the Authority without direct charge.

(1) The cost to the Applicant equals the length of the facilities that exceeds the allowance times the Authority's average cost for that type of installation. The cost to the Applicant is determined in this way for:

(a) Underground-Designated Areas, and

(b) Underground Construction in Existing Overhead Areas, and

(c) All Nonresidential Undergrounding, and

(d) Overhead Construction.

IV. Billing Process and Payment of Bills (continued):**A. Meter Reading, Billing Periods, and Estimated Bills (continued):****Estimated Bills for Nonresidential Customers (continued):**d) Suspension of No-Access Notices and Charges

Except for demand-billed Customers, the Authority may, if it chooses, stop issuing no-access notices or charges for up to ninety (90) days, if the Access Controller contacts the Authority and provides a valid reason for postponing access.

e) Responsibility for Legal Costs

The Access Controller shall pay all the legal costs involved with gaining access to the Customer's meter.

9. Delivery of Bills

The Authority will deliver bills to Customers, by mail or by hand, to the service address, to an address provided by the Customer, or to the last known address of the Customer.

10. Daylight Savings Time

Effective March 2007, where metering constraints limit the ability to reflect the revised start and end dates for Daylight Savings Time (DST), Rate Codes 282, M282, 284, M284, 285, M285, 277, 289, 680 and 681 shall continue to be metered at DST between the first Sunday of April and the last Sunday of October and at Eastern Standard Time (EST) for the remainder of the year. Furthermore, when meters of the above mentioned Rate Codes are re-programmed or replaced, their energy shall be metered and billed in accordance with the applicable DST time frame, as defined by federal law.

Effective October 2013, if a Customer's meter is configured to measure and record usage based on prevailing time, the definition of rating periods will be based on prevailing time. This includes Service Classifications (rate codes) 1-VMRP(S) (188), 1-VMRP(L), (181,182,184) and 2-VMRP (288). This change will apply to all newly installed meters. Furthermore, when meters of the above mentioned Rate Codes are re-programmed or replaced, their energy shall be metered and billed in accordance with prevailing time and not DST.

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, time of year for usage/demand (Rate Periods), 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, Visual Benefits Assessment, New York State Assessment or to recover other costs as approved by the Authority, and
- b) Any credits approved by the Authority, including the Shoreham Property Tax Settlement Rider, and
- c) Discounts to promote economic development, and
- d) Charges to LIPA Green Choice Customers for environmental attributes.
- e) Any credits resulting from the Maximum Charge provision of Service Classification No. 16 Advanced Metering Initiative (AMI) Pilot Service.
- f) NYSERDA Loan Installment Charges.

g) Securitization Charges.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

IV. Billing Process and Payment of Bills (continued):**B. Computing a Customer's Bill (continued):****Backbilling - Adjusting Previous Bills (continued):**

- (3) For Residential Customers, the Authority will include an explanation with each adjusted bill in 1 and 2 above, and allow the Customer to pay the bill in at least three (3) regular monthly installments if the adjustment increase is one hundred dollars (\$100) or more.
- (4) The Authority may increase the amount of a bill it has already sent to a Customer for service supplied up to but no more than six (6) years before it sends the rebill, if:
 - (a) The incorrect billing was caused by culpable conduct of the Customer, and
 - (b) Was not caused by the Authority's neglect.
- (5) The Authority may increase the amount of a bill it has already sent to a customer to include the NYSERDA Loan Installment Charge in any rebill.

d) Revising Backbills for Nonresidential Customers

- (1) The Authority may upwardly revise a backbill if:
 - (a) The first backbill stated the Authority's right to do so, and
 - (b) The Authority issues the revised backbill within twelve (12) months after the Authority becomes aware of the cause of the underbilling, and
 - (c) The Customer knew or could be expected to know that the original billing or first backbill was incorrect, or
 - (d) New information shows that the first backbill was incorrect.
- (2) The Authority will issue a downwardly revised backbill within two (2) months of becoming aware that the first backbill was excessive.
- (3) The Authority may increase the amount of a backbill to include the NYSERDA Loan Installment Charges.

(4) The Authority may increase the amount of a backbill to include the Securitization Charge.

e) Catch-up Bill for Nonresidential Customers

All catch-up backbills will clearly show how the backbill was calculated, either as if:

- (a) The service was used during the current cycle, or
- (b) Spread over all the cycles since the last actual reading.

IV. Billing Process and Payment of Bills (continued):**D. Payment of Bills (continued):**6. Nonpayment of Bills

The Authority will, according to the provisions of this Tariff, discontinue service and/or take any other action permitted by law when dealing with any Customer who does not pay the Authority, on time and in full, all amounts owed to the Authority.

7. Payment Responsibilities for Customer-Terminated Service

The Customer shall be responsible for the payment for all electricity used at the account premises at the established rate plus any NYSEERDA Loan Installment Charges, and any Securitization Charges billed:

- a) During the time required to terminate service as given in the Service Classification, and
- b) After the Authority has received the Customer's written request to discontinue service.
- c) When the term of service is specified in a Service Classification, a Customer may terminate service at any time:
 - (1) If the Customer pays the minimum charges for the rest of the term of service, and
 - (2) If another Customer occupies the premises before the end of the term of service, the first Customer will receive refunds equal to the minimum charges paid by the next Customer, but
 - (3) The refunds to the first Customer will not be greater than the amount the first Customer paid in (1) above.

V. Termination of Service (continued):**A. Reasons for Termination of Service (continued):****Non-Emergency Situations (continued):**

- b) Has improper equipment, wiring, or facilities:
 - (1) That do not comply with this Tariff, any requirements of a governmental agency that has jurisdiction, the National Electric Code, or
 - (2) That the Authority considers dangerous to life or property.
 - (3) The Authority may terminate service within five (5) days of notifying the Customer either in writing or orally.
- c) Operates a generator in parallel with the Authority's system without an Interconnection Agreement (IA) with the Authority, and
 - (1) Does not sign a IA with the Authority within ninety (90) days of a written notice from the Authority, accompanied by a draft IA, unless
 - (2) The Customer has filed a complaint in accordance with the provisions of this Tariff relating to the IA within the 90-day period. In this case, the Customer will not be disconnected until the complaint is resolved, unless the parallel generation creates a dangerous condition.
- d) Does not pay:
 - (1) The bill for electric service, or
 - (2) Amounts owed under a Deferred Payment Agreement, or
 - (3) A lawfully required deposit, or
 - (4) Equipment and installation charges for the start of service~~, or~~
 - (5) NYSERDA Loan Installment Charges billed but not paid~~, or~~
 - (6) Securitization Charges billed but not paid.
 - ~~(6)~~ For Residential Customers, the Authority may terminate service fifteen (15) days after notifying the Customer by mail or by delivery in person.

V. Termination of Service (continued):**B. Obligations of the Authority Before Terminating Service to a Customer (continued):**4. Notification to Nonresidential Customers

a) The Authority will not issue a Final Termination Notice until at least twenty (20) days after:

- (1) Payment was due (See Exceptions below), or
- (2) The date given in a written notice to correct a Tariff violation, or
- (3) The date given in a final No-Access Notice.

b) Exceptions: The Authority may send a Final Termination Notice for nonpayment on or after the date payment was due when:

- (1) The Customer has not paid a bill for unmetered service supplied through tampered equipment, or
- (2) The Customer has not paid the installment amount due on a Deferred Payment Agreement for service and/or the NYSERDA Loan Installment, and/or the Securitization Charge, or
- (3) The Customer fails to make a payment and has signed a waiver for the twenty-day notice period instead of paying a deposit

5. Termination Periods for Nonresidential Customers

The Authority will not terminate nonresidential service more than:

- a) Sixty (60) days after issuing the Final Termination Notice unless, during that time, it has issued a Termination Reminder Notice that states the current amount owed, if that is the reason for termination, or
- b) Ninety (90) days after issuing the Final Termination Notice unless, during that time, it has issued a Termination Reminder Notice that contains all the information required in B.4 above.

V. Termination of Service (continued):**G. Deferred Payment Agreements:**1. Definition

A Deferred Payment Agreement is a written agreement for the payment of outstanding charges over a specific period of time, signed by both the Authority and the Customer or Applicant including any outstanding NYSERDA Loan Installment Charges and/or Securitization Charges.

2. Who is Eligible

- a) A Customer whose estimated bill(s) underestimated the actual amount owed by more than 50 percent, provided the underestimated amount is more than one hundred dollars (\$100). The Authority will notify the Customer, in writing, of the right to pay the difference between the estimated charges and the actual charges in at least three (3) regular monthly installments. The Authority does not have to offer a Deferred Payment Agreement to a Nonresidential Customer if the Customer knew, or reasonably should have known, that the original billing was incorrect.
- b) A Residential Customer who is backbilled for service delivered before the current billing period, but not billed for.
 - (1) The Authority will explain the reasons for the late billing and notify the Customer, in writing, that payments may be made under an installment payment plan.
 - (2) The down payment for the installment plan will be the lesser amount of one half (1/2) of the amount owed or three (3) months' average billing for that Customer.
- c) A Residential Customer who will receive a billing adjustment increase of one hundred (\$100) or more.
 - (1) Reasons for the increase:
 - (a) The Authority is adjusting the Customer's Balanced Billing Plan to reflect actual usage, or
 - (b) The original incorrect billing was not due to the Authority's neglect, or
 - (c) There was a resolution of a complaint brought by the Customer about charges for service during the twelve-month period before the complaint.
 - (2) The Authority will notify the Customer, in writing, of the right to pay the adjusted bill in at least three (3) regular monthly installments.
 - (3) If the Authority is increasing previous bills for service delivered more than twelve (12) months before, because of the resolution of a complaint, the adjustments to increase these bills must be made within four (4) months of the resolution of the complaint.

V. Termination of Service (continued):**H. Reconnection of Service (continued):****Reconnection Charges (continued):**

(2) Customers who are not currently identified by the Authority as low-income are required to give the Authority proof that they have been certified as income eligible, within the last twelve (12) months, to receive one (1) or more of the benefits listed above.

- e) A Reconnection Charge will apply to Customers who are terminated for non payment of the NYSERDA Loan Installment Charge and/or the Securitization Charge.

4. Obligations of the Authority for Timely Reconnection of Service

- a) The Authority will reconnect service, unless prevented by circumstances beyond its control or the Customer requests otherwise, not more than twenty-four (24) hours after any of the conditions in 1. above are met. Circumstances beyond the control of the Authority include but are not necessarily limited to bad weather, serious physical obstacles, health or safety concerns, new construction requirements, labor disputes, inability to gain access, and legal restrictions. The Authority will reconnect service not more than twenty-four (24) hours after the circumstances beyond its control, that prevented reconnection, no longer exist.
- b) For Residential Customers, if the Authority is required to reconnect service and fails or neglects to do so on time for reasons other than circumstances beyond its control, the Authority will:
- (1) Credit the Residential Customer's account fifty dollars (\$50) for each day or part of a day that service is not supplied after the date it should have been reconnected in cases involving:
- (a) Certified Medical emergencies (See V.B.13.), or
- (b) The elderly, blind, or disabled (See V.B.14.), or
- (c) Heat-related service during Cold Weather Periods (See V.B.15.), or
- (d) The Authority has been notified that the health or safety of a Customer is likely to be seriously threatened if service is not reconnected.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):**E. Adjustments to Rates to Encourage Business Development (continued):****Recharge New York Power Program (continued):**d) Rates and Charges

- (1) The billing period for customers served under Recharge NY Power program shall be the calendar month. When a customer's eligibility for Recharge NY service expires, that customer shall revert back to the billing period of the applicable service classification as specified by LIPA.
- (2) In the event that NYPA is unable to deliver in any billing period any portion or all of the Recharge NY power to LIPA as contracted for, each customer shall have his contract lowered by the amount of reduced deliveries, allocated on a pro rata basis across all current Recharge NY contract demands. All such load not delivered and subsequently replaced with load supplied by LIPA shall be billed according to the rates and provisions of the Service Classification applicable to the customer's load served by LIPA during the periods of the reduced deliveries.
- (3) Customers served under Recharge NY Power program are subject to the following:
 - (a) Customers served under Recharge NY Power program will be subject to the rates, charges, terms and conditions specified in their applicable service classification:
and
 - (b) Recharge NY allocations under this program will not be charged for the Authority's Fuel and Purchase Power Cost Adjustment rate, and the Energy Efficiency Cost Recovery Rate, ~~and~~
 - (c) The increase in Rates and Charges to Recover PILOT Payments, the New York State Assessment, the Securitization Offset Charge, and all other Adjustments to Rates and Charges not specifically excluded above will be applied to the ~~total billing amount~~ Customer's bill.
 - (d) The Securitization Charge will be applied to the customer's bill.
- (4) Load served under Recharge NY Power program will receive a discount on the charges under their applicable service classification to remove the impact of generating capacity costs that are recovered through those rates.
 - (a) The discount will apply to demand charges, minimum demand charges, and energy charges, for each applicable service classification, but not the service charge, meter charge, or reactive demand charge.
 - (b) The level of discount will be calculated for each calendar year to remove the following cost elements from the ~~b~~Base ~~r~~Rate ~~e~~Charges for Delivery Service, and reflect the values shown in the Authority's budget for each cost component listed below:
 - (i) The Power Supply Agreement expenses associated with certain National Grid generating facilities.
 - (ii) Operation, maintenance, depreciation, property tax and interest expenses associated with the Authority's partial ownership of the Nine Mile Point generating station.
 - (iii) Property tax expense associated with merchant generating facilities.
 - (c) The Authority will prepare and retain on file a Statement of Discount Applicable to Recharge NY Delivery Service. The Statement will be available at the Authority's business offices.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE:**F. Energy Efficiency Cost Recovery Rate:**

1. The purpose of the Energy Efficiency Cost Recovery Rate is to recover the expenditures ~~and base rate lost revenues~~ resulting from LIPA's energy efficiency programs.

2. Cost to be Recovered

The Energy Efficiency Cost Recovery Rate ~~consists of the following components:~~ recovers the cost of

- a) ~~The budgeted~~ expenditures on Energy Efficiency Programs explicitly approved by the Board of Trustees for the coming year, ~~plus~~
- b) ~~The budgeted level of base rate lost revenues due to energy efficiency measures installed from the beginning of the 2009 through the coming year approved by the Board of Trustees for the coming year, plus~~
- c) ~~Any under recovery (or over recovery treated as a negative) of the Energy Efficiency Cost Recovery Rate, plus~~
- d) ~~Any expenditures on energy efficiency programs that exceed the approved budget amounts (or under spending treated as a negative), plus) Any base rate loss revenues that exceed the approved budget amounts (or underestimates treated as a negative), if subsequently approved by the Board of Trustees.~~

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE (continued):**F. Energy Efficiency Cost Recovery Rate (continued):**~~3. Definition of Base Rate Lost Revenues~~

~~Base Rate Lost Revenues are the base rate revenues not received from customers because of reduced energy use and reduced billing demand that resulted from the approved energy efficiency programs that have been installed since January 1, 2009. Base Rate Lost Revenues do not include the Fuel and Purchased Power Cost Adjustment Rate, increases in Rates and Charges to recover PILOT Payments or the Shoreham Property Tax Settlement Rate.~~

~~a) Base Rate lost Revenues will be calculated separately for each rate class participating in the approved Energy Efficiency Programs. For each rate class, the Base Rate Lost Revenues will be calculated as:~~

~~b) —~~

~~(1) The reduction in energy usage (in kWhs) identified to be the result of participation in the Energy Efficiency Programs since January 1, 2009 (assuming normal weather) times the base energy rate for that usage, plus~~

~~(2) The reduction in billing demand (in kW months) identified to be the result of participation in the Energy Efficiency Programs (assuming normal weather) times the base demand rate for that billing demand.~~

~~(3) Base Rate Lost Revenues will be calculated on a seasonal and/or time of use basis, as specified by the rates for each rate class.~~

~~(4) —~~

~~e) LIPA will estimate the reduction in energy use and billing demand associated with the approved Energy Efficiency Programs on the basis of:~~

~~d) —~~

~~(1) Number of participants in each program or measure sponsored by LIPA.~~

~~(2) Available estimates of the impact of participation (in kWhs and billed kW) in each program or measure on the participant's overall use of electricity.~~

~~(3) All estimates of reductions in energy use or billing demand will be calculated under normal weather conditions, as defined by LIPA at the time.~~

~~(4) —~~

~~e) LIPA may not recover through the Energy Efficiency Cost Recovery Rate:~~

~~f) —~~

~~(1) Any base rate lost revenues that result from variations in the weather away from normal weather.~~

~~Any variations in expense except for Energy Efficiency Program expenditures specifically authorized by the Board of Trustees.~~

CANCELLED

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE (continued):**F. Energy Efficiency Cost Recovery Rate (continued):****4. Calculation of the Energy Efficiency Cost Recovery Rate**

The Energy Efficiency Cost Recovery Rate will be calculated separately for Small Customers and Large Customers. For Small Customers and Large Customers separately, the Energy Efficiency Cost Recovery Rate will be calculated as the sum of the eligible costs ~~and lost revenues for that group of customers~~ divided by the forecasted energy sales ~~to that group of customers~~.

- a) The Authority will prepare and retain on file a "Statement of Energy Efficiency Cost Recovery Rate". The Statement will be available at the Authority's Business Offices.
- b) The Statement will show the authorized amounts to be recovered ~~from Small Customers and Large Customers separately~~, and the expected energy sales over which the authorized amounts will be recovered.
- c) The Energy Efficiency Cost Recovery Rate will be set annually, effective January 1st of each year.
- d) The Energy Efficiency Cost Recovery Rate may be reset during the year, based on updated values that have been approved by the LIPA Board of Trustees.
- e) The Energy Efficiency Cost Recovery Rate will be rounded to the nearest 0.0001 cents per kWh.

5. Definition of Small and Large Customers

~~For purposes of the Energy Efficiency Cost Recovery Rate, the following definitions of Small Customers and Large Customers will apply:~~

- a) ~~The Small Customer Energy Efficiency Cost Recovery Rate applies to:~~
 - 1) ~~Service Classification No. 1 (Rate Codes: 180, 183, 186, 380, 480, 481, 580, 581, 880, 881, 882, 883)~~
 - 2) ~~Service Classification No. 1-VMRP (Rate Codes: 181, 182, 184, 188)~~
 - 3) ~~Service Classification No. 2 (Rate Code 280)~~
 - 4) ~~Service Classification No. 2-VMRP (Rate Code 288)~~
 - 5) ~~Service Classification Nos. 5, 7, 7A and 10 (Rate Codes 980, 780, 781, 782, 1580, 1581)~~
 - 6) ~~Service Classification No. 16-AMI (Rate Code M188 and M288)~~
- b) ~~The Large Customer Energy Efficiency Cost Recovery Rate applies to:~~
 - 1) ~~Service Classification Nos. 2-L, 2-H and 2-VMRP (Rate Codes 281, 283, 290, 291, 293, 282, M282)~~
 - 2) ~~Service Classification No. 2-MRP (Rate Codes 284, 285, M284, M285)~~
 - 3) ~~Service Classification Nos. 12, 13 and 15 (Rate Codes 680, 681, 273, 278)~~
 - 4) ~~Service Classification No. 16-AMI (Rate Codes M282, M284, M285)~~
- c) ~~Retail Customers participating in the Long Island Choice or Green Choice program are subject to the Energy Efficiency Cost Recovery Rate according to their base rate Service Classification.~~
- d) ~~Energy Service Companies (ESCOs) receiving service under Service Classification No. 14 are not subject to the Energy Efficiency Cost Recovery Rider.~~
- e) ~~Energy delivered under the Recharge NY Power Program is not subject to the Energy Efficiency Cost Recovery Rider.~~

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS:**H. New York State Assessment:**1. Purpose

The purpose of the New York State ("NYS") Assessment is to recover costs imposed on the Authority as a result of changes to Public Service Law ("PSL") , Article 1 section 18-a(2) and 18-a(6), which was signed into law on April 7, 2009, and amended on July 29, 2013. The NYS Assessment is payable to the State of New York and has a stated intention to encourage conservation of energy and other resources on Long Island and to fund the Long Island office of the Department of Public Service. The NYS Assessment will be in effect for five (5) years or as long as the legislation remains in effect.

2. Who Is Eligible

- a. All customers, including LI Choice customers, who are billed under the Authority's Service Classifications, will be subject to the NYS Assessment factor. Energy Service Companies (ESCOs) participating in the Long Island Choice program are subject to the NYS Assessment for any miscellaneous charges billed to them, but not for payments or credits related to the Bill Credit Adjustment or the Fuel and Purchased Power Cost Adjustment.

3. Determination of the NYS Assessment Factor

- a. In each calendar year, LIPA staff will work with the Chairman of the New York State Public Service Commission to determine the amount of the NYS Assessment for that calendar year. For purposes of determining the NYS Assessment Factor on a calendar year basis, LIPA staff may estimate the amount owed to the State in that calendar year, subject to true-up at some later point in time for the actual amount owed to the State for that annual period.
- b. Beginning January 1, 2010, the NYS Assessment Factor will be calculated to collect the amount assessed to the Authority (including carrying charges) divided by the projected revenues subject to the NYS Assessment for the time period to be recovered.
- c. The amount of NYS Assessment for the nine months of 2009 that LIPA is required to pay shall be deferred and amortized with interest for recovery over the remaining four (4) calendar years starting January 1, 2010.
- d. Overrecovery or underrecovery of the NYS Assessment relative to the amount actually paid to the State will be surcharged or refunded in subsequent periods.
- d. The NYS Assessment factor will be expressed as a percentage increase to the applicable actual or estimated charges on the Customer's bill.
- e. The NYS Assessment factor will be shown on a separate "Statement of NYS Assessment Factor" and will be updated at the beginning of each year, and from time to time within the year at the discretion of the LIPA staff. The Statement will be available at the Authority's business offices.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS:**H. New York State Assessment:**4. Application of the NYS Assessment Factor

a. The NYS Assessment factor will apply to the following customer bill components:

- (1) Base ~~R~~Rates including the service and meter charges, energy charges (kWh), and demand charge (kW); and
- (2) Fuel and Purchase Power Cost Adjustment (FPPCA); and
- (3) Visual Benefits Assessment (VBA), if applicable; and
- (4) Efficiency Long Island (ELI) Cost Recovery; and
- (5) Shoreham Property Tax (SPT) Settlement factor if applicable; and
- ~~(6)~~ Securitization Offset Charge; and
- ~~(7)~~ Securitization Charge; and
- ~~(8)~~ Any "Charges for Miscellaneous Services".

b. Customers participating in the Long Island Choice program will be charged for the NYS Assessment as if they paid LIPA's charges for Bundled Service.

c. ESCOs participating in the LI Choice program will be charged for the NYS Assessment on any miscellaneous charges incurred under that program, but not for payments made or received from the Bill Credit Adjustment or the Fuel and Purchased Power Cost Adjustment.

d. The NYS Assessment factor does not apply to Increase in Rates and Charges to Recover PILOT Payments.

5. Annual Reconciliation

a. Each year, the Authority will perform a reconciliation based on twelve months to recover any amounts under or over collected in the prior time period. Any difference will be added to the amount to be recovered in the following year.

b. If the Commission determines that the amount assessed to the Authority under Section 18-a for a fiscal year is different from the amount used by the Authority to establish the revenue factor, the revenue factor will be updated as necessary to allow the Authority to recover the full amount of the assessment above the amount reflected in the Authority's base rates.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS:**I. Securitization Offset Charge****1. Description**

The Securitization Offset Charge reduces the revenues due to the Long Island Power Authority by the amount that is collected on behalf of the Utility Debt Securitization Authority, adjusted for Increase in Rates and Charges to Recover PILOT Payments and the New York State Assessment Factor.

The LIPA Reform Act of 2013, Part B, established the creation of the Utility Debt Securitization Authority for the sole purpose of securing a portion of the Authority's debt. The LIPA Board of Trustees adopted a Restructuring Cost Financing Order on October 3, 2013 that calls for recovery of the Initial and Ongoing Financing Costs of the Utility Debt Securitization Authority from Customers through a Securitization Charge. The Securitization Charges imposed on Customers will be determined by, and owed to, the Utility Debt Securitization Authority, with LIPA serving the role as Servicing Agent on its behalf. Imposition of the Securitization Charges will continue until all Initial and Ongoing Financing Costs of the Utility Debt Securitization Authority have been recovered.

2. Determination of the Securitization Charge and Securitization Offset Charge

The Utility Debt Securitization Authority will determine the appropriate level of the Securitization Charge, which will change from time to time at their discretion, sufficient to meet the objectives and obligations of the Utility Debt Securitization Authority. Each time that the Securitization Charge is changed, the Securitization Offset Charge will be changed to a corresponding amount, expressed as a credit adjusted for Increases in Rates and Charges to Recover PILOT Payments and the New York State Assessment Factor. The Securitization Offset Charge shall be expressed in dollars per kWh of Delivery Service received, to the nearest \$0.000001 per kWh.

The Authority will prepare and retain on file a Statement of Securitization Charges, containing both the Securitization Charge and the Securitization Offset Charge. The Statement will be available at the Authority's business offices.

3. Application of the Securitization Offset Charge

The Securitization Offset Charge applies to all Customers receiving Delivery Service under all Service Classifications specified in Section VIII of the Tariff for Electric Service. Energy Service Companies ("ESCOs") participating in the Long Island Choice program (Section IX) and Green Marketers participating in the Green Choice Program (Section X) are not subject to the Securitization Offset Charge.

The Securitization Offset Charge will be applied to all kWhs of Delivery Service based on the date on which that usage was billed, regardless of the date on which the energy was delivered or consumed.

VIII. SERVICE CLASSIFICATIONS (continued):

A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):
(Rate Codes: 180, 183, 186, 380, 480, 481, 580, 581, 880, 881, 882, 883)

3. Rates and Charges per Meter:

a) Schedule of Rates

The rates for this service code are set forth below.

All Rate Codes except 480 and 481

	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Service Charge per Day	\$.3600	\$.3600
Reduced Service Charge per Day (see Special Provisions for eligibility)	\$.1790	\$.1790

	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
<u>Rate Codes 180, 183, 186</u> Energy Charge per kWh per month		
First 250 kWh @	\$. 0857904	\$. 0857904
Over 250 kWh @	\$. 09751022	\$. 0787834

	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
<u>Rate Code 380 (Water Heating)</u> Energy Charge per kWh per month		
First 250 kWh @	\$. 0857904	\$. 0857904
Next 150 kWh @	\$. 09751022	\$. 0787834
Next 400 kWh @	\$. 0586633	\$. 0586633
Over 800 kWh @	\$. 09751022	\$. 0787834

VIII. SERVICE CLASSIFICATIONS (continued):

A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):
(Rate Codes: 180, 183, 186, 380, 480, 481, 580, 581, 880, 881, 882, 883)

3. Rates and Charges per Meter (continued):

<u>Rate Code 580, 581, 882, 883 (Space Heating)</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Energy Charge per kWh per month		
First 250 kWh @	\$.0857904	\$.0857904
Next 150 kWh @	\$.09751022	\$.0787834
Over 400 kWh @	\$.09751022	\$.054562

<u>Rate Code 880, 881 (Space and Water Heating)</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Energy Charge per kWh per month		
First 250 kWh @	\$.0857904	\$.0857904
Next 150 kWh @	\$.09751022	\$.0787834
Next 400 kWh @	\$.0586633	\$.054562
Over 800 kWh @	\$.09751022	\$.054562

<u>Rate Code 480, 481</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Service Charge per day	\$.3200	\$.3200
Energy Charge per kWh per month		
12:00 midnight to 7:00 a.m. (Standard Time) or	\$.0264311	\$.0264311
10:00 p.m. to 10:00 a.m. (Standard Time)	\$.030047	\$.030047

VIII. SERVICE CLASSIFICATIONS (continued):**A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):
(Rate Codes: 180, 183, 186, 380, 480, 481, 580, 581, 880, 881, 882, 883)**3. Rates and Charges per Meter (continued):b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, the New York State Assessment Factor and the Securitization Offset Charge.

4. Minimum Charge - All Rate Codes

The Minimum Charge is the applicable Service Charge for each meter, plus Adjustments to Rates and Charges. Late Payments shall be subject to Late Payment Charges.

5. Terms of Payment

The Customer shall pay the balance due in cash, including checks and money orders, on receiving the bill.

6. Term of Service

The Authority will provide service to the Customer until service is terminated either by the Customer or the Authority.

a) The Customer shall give the Authority five (5) days written notice when requesting termination of service.

b) The Authority may terminate service to the Customer in accordance with the provisions of this Tariff.

7. Special Provisionsa) Water Heating

The Water Heating Energy Charge in A.3. above will apply, provided:

(1) The Customer's water is totally heated by an electric water heater or in combination with a solar hot water system that pre-heats water that is piped into an existing electric water heater that meets the Authority's specifications, and

(2) The Customer is recorded on the Authority's books at that service location as of January 26, 1983, and

(3) The Customer did not terminate service at that location or remove the electric water heater.

VIII. SERVICE CLASSIFICATIONS (continued):

B. SERVICE CLASSIFICATION NO. 1-VMRP (L)

Voluntary Large Residential Service with Multiple Rate Periods (continued):
(Rate Codes: 181, 182, 184)

3. Rates and Charges per Meter:

a) Schedule of Rates

The rates for this service code are found below.

<u>All Rate Codes</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Service Charge per Day	\$1.650	\$1.650
<u>Rate Codes 184 – Rate 1</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Energy Charge per kWh		
Daylight Savings Time 8 p.m. to 10 a.m., and Saturday and Sunday	<u>Period 1</u>	<u>Period 2</u>
First 125 kWh @	\$.0 376 <u>423</u>	\$.0 376 <u>423</u>
Over 125 kWh @	\$.0 376 <u>423</u>	\$.0 376 <u>423</u>
Daylight Savings Time 10 a.m. to 8 p.m. Weekdays	<u>Period 3</u>	<u>Period 4</u>
First 125 kWh @	\$.0 781 <u>828</u>	\$.0 781 <u>828</u>
Over 125 kWh @	\$.2 364 <u>411</u>	\$.0 781 <u>828</u>

VIII. SERVICE CLASSIFICATIONS (continued):

B. SERVICE CLASSIFICATION NO. 1-VMRP (L)

Voluntary Large Residential Service with Multiple Rate Periods (continued):
(Rate Codes: 181, 182, 184)

Rates and Charges (continued):

	June to September <u>Inclusive</u>	October to May <u>Inclusive</u>
<u>Rate Codes 181 - Rate 2</u>		
Energy Charge per kWh		
Daylight Savings Time* 8 p.m. to 10 a.m., and Saturday and Sunday		
	<u>Period 1</u>	<u>Period 2</u>
First 125 kWh @	\$.06 0552	\$.06 0552
Over 125 kWh @	\$.06 0552	\$.06 0552
Daylight Savings Time* 10 a.m. to 8 p.m. Weekdays		
	<u>Period 3</u>	<u>Period 4</u>
First 125 kWh @	\$.06 0552	\$.06 0552
Over 125 kWh @	\$.12 4289	\$. 0954 <u>1001</u>

	June to September <u>Inclusive</u>	October to May <u>Inclusive</u>
<u>Rate Codes 182 - Rate 3</u>		
Energy Charge per kWh		
Daylight Savings Time* 8 p.m. to 10 a.m., and Saturday and Sunday		
	<u>Period 1</u>	<u>Period 2</u>
First 125 kWh @	\$.06 0552	\$.06 0552
Over 125 kWh @	\$.06 0552	\$.0 455 <u>502</u>
Daylight Savings Time* 10 a.m. to 8 p.m. Weekdays		
	<u>Period 3</u>	<u>Period 4</u>
First 125 kWh @	\$.06 0552	\$.06 0552
Over 125 kWh @	\$.12 4289	\$.0 455 <u>502</u>

* See paragraph IV.A.10 "Daylight Savings Time" Leaf No. 99.

VIII. SERVICE CLASSIFICATIONS (continued):**B. SERVICE CLASSIFICATION NO. 1-VMRP (L)****Voluntary Large Residential Service with Multiple Rate Periods (continued):**
(Rate Codes: 181, 182, 184)3. Rates and Charges per Meter (continued):b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, the New York State Assessment Factor and the Securitization Offset Charge.

4. Minimum Charge - All Rate Codes

The minimum charge is the applicable Service Charge for each meter, plus Adjustments to Rates and Charges.

5. Terms of Payment

The Customer shall pay the balance due in cash, including checks and money orders, on receiving the bill. Late payments shall be subject to Late Payment Charges.

6. Term of Service

The Authority will provide service to the Customer until service is terminated either by the Customer or the Authority.

a) The Customer shall give the Authority five (5) days written notice when requesting termination of service.

b) The Authority may terminate service to the Customer in accordance with the provisions of this Tariff.

7. Special Provisionsa) Space Heating

The Space Heating Energy Charge (Rate 182) in B.3 above will apply for the following heating applications, provided:

- (1) The size and design of the Customer's heating and heat pump equipment meets the Authority's specifications, and
- (2) The Customer submits a signed Application for this provision and a signed Certificate of insulation compliance, if it applies, and
- (3) The electric resistance heater or heat pump (fireplaces, coal and wood stoves are excluded) supplies all of the heating requirements of the building and is permanently connected

VIII. SERVICE CLASSIFICATIONS (continued):

C. SERVICE CLASSIFICATION NO. 1-VMRP(S)

Voluntary Small Residential Service With Multiple Rate Periods (continued):
(Rate Code: 188)

3. Rates and Charges per Meter:

a) Schedule of Rates

The rates for this service code are found below.

<u>All Rate Codes</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Service Charge per day	\$.3600	\$.3600
Meter Charge per day	\$.1000	\$.1000
Reduced Service Charge per day (see Special Provisions for eligibility)	\$.1790	\$.1790

<u>Rate Codes 188</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Energy Charge per kWh		
<u>Daylight Savings Time*</u> 8 p.m. to 10 a.m., and Saturday and Sunday	<u>Period 1</u> \$.0578625	<u>Period 2</u> \$.043784
<u>Daylight Savings Time*</u> 10 a.m. to 8 p.m. Weekdays	<u>Period 3</u> \$.273582	<u>Period 4</u> \$.0888935

* See Paragraph IV. A. 10. "Daylight Savings Time" on leaf No. 99.

b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

4. Minimum Charge

The Minimum Charge is the Service and Meter Charges, plus Adjustments to Rates and Charges.

VIII. SERVICE CLASSIFICATIONS (continued):

**D. SERVICE CLASSIFICATION NO. 2 - General Service - Small:
(Rate Code: 280)**

1. Who Is Eligible

- a) Customers who will use the service for purposes other than Residential, when the Authority estimates that the Applicant's demand will be less than 7 kW, subject to Special Provision 8.c) below. The Authority may bill the Customer on a metered or unmetered basis.
- b) A Customer, as described in a. above, that has the option under Service Classification Nos. 12 – Backup and ~~Maintenance~~^{Supplemental} Service, of choosing to pay the rates and charges associated with a different Service Classification.

2. Who Is Not Eligible

Traffic Signals, caution signals and operating control equipment for all such signals are no eligible for service under this Service Classification.

3. Character of Service

- a) Continuous, 60 hertz, alternating current.
- b) Radial secondary service at approximately 120/208, 120/240, or 277/480 volts, single or three phase; network system 120/208 or 277/480 volts, single or three phase; depending on the size and characteristics of the load and the circuit supplying the service.

4. Rates and Charges per Meter:

a) Schedule of Rates

The rates for this service are set forth below.

<u>Rate Code 280</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Service Charge per day	\$.3600	\$.3600
Energy Charge per kWh	\$.10 5299	\$.0 863910

VIII. SERVICE CLASSIFICATIONS (continued):**D. SERVICE CLASSIFICATION NO. 2 - General Service - Small (continued):
(Rate Code: 280)**4. Rates and Charges per Meter (continued):b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

5. Minimum Charge

The Minimum Charge is the Service Charge for each meter, plus Adjustments to Rates and Charges.

6. Terms of Payment

The Customer shall pay the balance due in cash, including checks and money orders, on receiving the bill. Late payments shall be subject to Late Payment Charges.

7. Terms of Service

- a) The Authority will provide service to the Customer until service is terminated either by the Customer or the Authority.
- b) The Customer shall give the Authority five (5) days written notice when requesting termination of service.
- c) The Authority may terminate service to the Customer in accordance with the provisions of this Tariff.

8. Special Provisionsa) Corrective Equipment Requirements

When the installation includes welders, x-rays, or other apparatus having a highly fluctuating or large instantaneous demand, the Customer shall provide batteries, rotating equipment, or other corrective equipment to reduce the inrush current to an amount acceptable to the Authority.

b) Two-Phase Service

Two-phase service is no longer available. Any Customer receiving two-phase service under this Service Classification will continue to receive the service until other arrangements are made.

VIII. SERVICE CLASSIFICATIONS (continued):**E. SERVICE CLASSIFICATION NO. 2-VMRP****Voluntary Small General Service With Multiple Rate Periods (continued):**
(Rate Code: 288)3. Rates and Charges per Meter:a) Schedule of Rates

The rates for this service code are found below

<u>Rate Code 288</u>	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Meter Charge per day	\$.1000	\$.1000
Service Charge per day	\$.3600	\$.3600
Energy Charge per kWh		
Daylight Savings Time 8 p.m. to 10 a.m., and Saturday and Sunday	<u>Period 1</u> \$.0578625	<u>Period 2</u> \$.043784
Daylight Savings Time 10 a.m. to 8 p.m. Weekdays	<u>Period 3</u> \$.273582	<u>Period 4</u> \$.0888935

b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

4. Minimum Charge

The Minimum Charge is the Service and Meter Charge, plus Adjustments to Rates and Charges.

5. Terms of Payment

The Customer shall pay the balance due in cash, including checks and money orders, on receiving the bill. Late payments shall be subject to Late Payment Charges.

VIII. SERVICE CLASSIFICATIONS (continued):**F. SERVICE CLASSIFICATION NO. 2-L - General Service - Large:
(Rate Codes: 281, 283)**1. Who Is Eligible

Customers who will use the service for any purposes other than Residential, when:

- a) For monthly-billed Customers, electric use during the last twelve (12) months has equaled or been greater than 2,000 KWH in each of two (2) consecutive monthly billing periods, or
- b) For bimonthly-billed Customers, electric use during the last twelve (12) months has equaled or been greater than 4,000 KWH in one (1) bimonthly billing period, or
- c) For Applicants, the Authority estimates their demands at 7 KW or more.
- d) A Customer, as described in a. through c. above, that has the option under Service Classification Nos. 12 – Back-up and MaintenanceSupplemental Service, ~~and/or 15 – Supplemental Service, of choosing can choose~~ to pay the rates and charges associated with a different Service Classification.

2. Character of Service

- a) Continuous, 60 hertz, alternating current.
- b) Radial secondary service at approximately 120/208, 120/240, or 277/480 volts, single or three phase; network system 120/208 or 277/480 volts, single or three phase; depending on the size and characteristics of the load and the circuit supplying the service.
- c) Radial primary service at approximately 2,400/4,160, 7,620/13,200, 23,000 or 33,000 volts, three phase, depending on the size and characteristics of the load and the circuit supplying the service.

VIII. SERVICE CLASSIFICATIONS (continued):**F. SERVICE CLASSIFICATION NO. 2-L - General Service - Large (continued):
(Rate Codes: 281, 283)**3. Rates and Charges per Meter:a) Schedule of Rates

The rates for this service code are set forth below.

Secondary Service

<u>Rate Code 281</u>	June to September <u>Inclusive</u>	October to May <u>Inclusive</u>
Service Charge per day	\$1.400	\$1.400
Demand Charge per kW of demand	\$10.84	\$9.63
Energy Charge per kWh	\$0.05 3669	\$0.03 87420

Primary Service

<u>Rate Code 281</u>	June to September <u>Inclusive</u>	October to May <u>Inclusive</u>
Service Charge per day	\$1.400	\$1.400
Demand Charge per kW of demand	\$10.12	\$8.95
Energy Charge per kWh	\$0.05 3963	\$0.03 84114
Demand Charge per kvar of Reactive Demand	\$.27	\$.27

b) Rate Code 283 - Seasonal

The following changes to 3.a) above apply to Customers who terminate service for at least four (4) continuous months from October through May and submit a signed Application:

VIII. SERVICE CLASSIFICATIONS (continued):**F. SERVICE CLASSIFICATION NO. 2-L - General Service - Large (continued):
(Rate Codes: 281, 283)**3. Rates and Charges per Meter (continued):

Demand Charge per Meter per Month
Percent of Demand Charges per kW in 3 above.

	<u>June to September Inclusive</u>	<u>Remaining Months Inclusive</u>
Secondary Service	167%	50%
Primary Service	167%	50%

For billing purposes, the Authority will establish the monthly demand for the period ending on the date the meter is read, and it will be the recorded demand.

c) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

4. Minimum Charge - All Rate Codes

The Minimum Charge is the Service and Demand Charge, plus Adjustments to Rates and Charges.

5. Reconnection Charges - All Rate Codes

If the Authority reconnects service to a Customer at the same premises within twelve (12) months of termination of service to that Customer, the Authority will charge the Customer:

- a) The Service Charge and Demand Charge (See 3. above) the Customer would have paid if the meter had remained active with no power or energy used, and
- b) A Reconnection Charge

VIII. SERVICE CLASSIFICATIONS (continued):**G. SERVICE CLASSIFICATION NO. 2L - VMRP****Voluntary Large Demand Metered Service With Multiple Rate Periods:
(Rate Codes: 282)**1. Who Is Eligible

Customers who will use the service for purposes other than Residential, when:

- a) For monthly-billed Customers, electric usage has been greater than 2,000 KWH in each of two (2) consecutive monthly billing periods, or
- b) For bimonthly-billed Customers, electric usage has been greater than 4,000 KWH in one (1) bimonthly billing period, or
- c) It is estimated by the Authority that the Applicant's demand is 7 KW or more, or
- d) A Customer, as described in a. through c. above, that has the option under Service Classification Nos. 12 – Back-up and ~~Maintenance~~ Supplemental Service ~~and/or 15 – Supplemental Service, of choosing can choose~~ to pay the rates and charges associated with a different Service Classification.
- e) This Service is optional to S.C. Nos. 2-L and 2-H.

1. Character of Service

- a) Continuous, 60 hertz, alternating current.
- b) Radial secondary service at approximately 120/208, 120/240, or 277/480 volts, single or three phase; network system 120/208 or 277/480 single or three phase; depending on the size and characteristics of the load and the circuit supplying the service.
- c) Radial primary service at approximately 2,400/4,160, 7,620/13,200, 23,000 or 33,000 volts, three phase, depending on the size and characteristics of the load and the circuit supplying the service.

VIII. SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP

Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Codes: 282 and M282)

3. Rates and Charges per Meter per Month:

a) Schedule of Rates

The rates for this service code are set forth below.

Rate Code 282-(Secondary)*

Service Charge per day \$1.400

Meter Charge per day \$.2500

Rate Periods**

	1	2	3
	<u>Off-Peak</u> all year 11 p.m. to 7 a.m.	<u>On-Peak*</u> June - Sept. weekdays 12 noon to 8 p.m.	<u>Intermediate</u> all other hours
Demand Charge per kW			
Total of 3 Rate Periods	none	\$44.78	\$3.84
Energy Charge per kWh			
Total of 3 Rate Periods	\$.02 1750	\$.03 85418	\$.03 5487
Minimum Demand Charge per Meter per kW per Rate Period	none	\$55.58	\$6.74

*For Rate Code M282 (Secondary), the modified peak period is from 3 p.m. to 8 p.m.

** See Paragraph IV.A.10, "Daylight Savings Time", on Leaf No. 99.

VIII. SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP

Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Codes: 282 and M282)

3. Rates and Charges per Meter per Month (continued):

Rate Code 282-(Primary)

Service Charge per day \$1.400

Meter Charge per day \$.7500

Rate Periods**

	1	2	3
	<u>Off-Peak</u> all year 11 p.m. to 7 a.m.	<u>On-Peak*</u> June - Sept. weekdays 12 noon to 8 p.m.	<u>Intermediate</u> all other hours
Demand Charge per kW Total of 3 Rate Periods	none	\$42.56	\$3.68
Energy Charge per kWh Total of 3 Rate Periods	\$0.194224	\$0.034073	\$0.031750
Demand Charge per kvar of Reactive Demand Total of 3 Rate Periods	none	\$.27	\$.27
Minimum Demand Charge per Meter per kW per Rate Period	none	\$52.91	\$6.44

* For Rate Code M282 (Primary), the modified peak period is from 3 p.m. to 8 p.m.

**See Paragraph IV.A.10, "Daylight Savings Time", on Leaf No. 99.

b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, the New York State Assessment Factor and the Securitization Offset Charge.

4. Minimum Charge - All Rate Codes

The monthly Minimum Charge is the sum of the Service and Meter Charges, and may include an annual Demand Charge (See 6.below), plus Adjustments to Rates and Charges.

VIII. SERVICE CLASSIFICATIONS (continued):**H. SERVICE CLASSIFICATION NO. 2 - H - Building Heating Service:
(Rate Codes: 290, 291, 293)**1. Who Is Eligible

- a) Customers who will use the service for purposes other than Residential, where:
 - (1) Only electricity is used for space heating, or
 - (2) In a separate part of a building, only electricity is used for space heating, and that part can be metered separately, and
- b) The space heating load in either a.1 or a.2 above is at least 10 KW, and
- c) For purposes of qualifying, the Customer may include minor additional use outside of the building when the nature of the business requires such use.
- d) A Customer, as described in a. through c. above, that has the option under Service Classification Nos. 12 – Back-up and ~~Maintenance~~ Supplemental Service ~~and/or 15 – Supplemental Service, of choosing can choose~~ to pay the rates and charges associated with a different Service Classification.

2. Character of Service

- a) Continuous, 60 hertz, alternating current.
- b) Radial or network secondary service at approximately 120/208, 120/240, or 277/480 volts, single or three phase; depending on the size and characteristics of the load and the circuit supplying the service.
- c) Radial primary service at approximately 2,400/4,160, 7,620/13,200, 23,000, or 33,000 volts, three phase, depending on the size and characteristics of the load and the circuit supplying the service.

VIII. SERVICE CLASSIFICATIONS (continued):

**H. SERVICE CLASSIFICATION NO. 2 - H - Building Heating Service (continued):
(Rate Codes: 290, 291, 293)**

3. Rates and Charges per Meter

a) Schedule of Rates

The rates for this rate code are set forth below.

Secondary Service

	June to September <u>Inclusive</u>	October to May <u>Inclusive</u>
<u>Rate Code 290 - General</u> Service Charge per day	\$1.400	\$1.400
Demand Charge per kW of demand	\$10.84	\$9.63
Energy Charge per kWh one-half (1/2) of the total kWhs	\$0.05 3669	\$0.03 87420
Energy Charge per kWh one-half (1/2) of the total kWhs	\$0.05 3669	\$0.03 0033

Primary Service

	June to September <u>Inclusive</u>	October to May <u>Inclusive</u>
<u>Rate Schedule 290</u> Service Charge per day	\$1.400	\$1.400
Demand Charge per kW of demand	\$10.12	\$8.95
Energy Charge per kWh One Half (1/2) of Total kWhs	\$0.05 3063	\$0.03 81414
Energy Charge per kWh One Half (1/2) of Total kWhs	\$0.05 3063	\$0.02 94327
Demand Charge per kvar of Reactive Demand \$	\$0.27	\$0.27

b) Rate Code 291 - Schools

Same as 3.a) above, except only the recorded demand will apply for schools taking service under this Service Classification. Accessory school buildings that are eligible for Rate 290 and whose accounts are under the school's name and, as such, are tax exempt, would also qualify for Rate 291.

VIII. SERVICE CLASSIFICATIONS (continued):**H. SERVICE CLASSIFICATION NO. 2 - H - Building Heating Service (continued):
(Rate Codes: 290, 291, 293)**3. Rates and Charges per Meter (continued):c) Rate Code 293 - Seasonal Service

The following changes to 3.a) above will apply to those Customers who terminate service for at least four (4) continuous months from October through May when they submit a signed Application:

Demand Charge per Meter per Month

Percent of Demand Charges per KW in 3a. above.

	June to September <u>Inclusive</u>	Remaining Months <u>Inclusive</u>
Secondary Service	167%	50%
Primary Service	167%	50%

For billing purposes, the Authority will establish the monthly demand for the period ending on the date the meter is read, and it will be the recorded demand.

d) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

4. Minimum Charge - All Rate Codes

The Minimum Charge is the Service and Demand Charge, plus Adjustments to Rates and Charges.

5. Reconnection Charges - All Rate Codes

If the Authority reconnects service to a Customer at the same premises within twelve (12) months of termination of service to that Customer, the Authority will charge the Customer:

- a) The Service Charge and Demand Charge the Customer would have paid if the meter had remained active with no power or energy used, and
- b) A Reconnection Charge.

VIII. SERVICE CLASSIFICATIONS (continued):**I. SERVICE CLASSIFICATION NO. 2 - MRP****Large General and Industrial Service With Multiple Rate Periods:**
(Rate Codes: 284, 285)1. Who Is Eligible

- a) Customers who will use the service for any purpose other than Residential, when:
 - (1) The monthly recorded demand has been more than 500 KW in any two (2) of the last twelve (12) months, and/or
 - (2) The monthly recorded demand has been more than 145 KW in any summer month (June through September), or
 - (3) The Authority believes an Applicant's demand will be more than 500 KW in any two (2) months and/or 145 KW in any summer months.
- b) Customers may choose between Codes 285 and 284 below when they qualify for the service.
- c) Customers' options to transfer between Codes 285 and 284 are covered under Special Provision 10.e below.
- d) A Customer, as described in a. above, that has the option under Service Classification Nos. 12 – Back-up and ~~Maintenance Supplemental~~ Service ~~and/or 15 – Supplemental Service, of choosing can choose~~ to pay the rates and charges associated with a different Service Classification.

2. Character of Service

- a) Continuous, 60 hertz, alternating current.
- b) Radial secondary service at approximately 120/208, 120/240, or 277/480 volts, three phase; network system 120/208 or 277/480, depending on the size and characteristics of the load and the circuit supplying the service.
- c) Radial primary service at approximately 2400/4160, 7620/13200 volts or higher, depending on the size and characteristics of the load and the circuit supplying the service.

VIII. SERVICE CLASSIFICATIONS (continued):

I. SERVICE CLASSIFICATION NO. 2 - MRP

Large General and Industrial Service With Multiple Rate Periods (continued):
(Rate Codes: 284, 285, M284, M285)

2. Character of Service (continued):

- d) The Authority may consider loads with a minimum estimated demand of 10,000 kW for service at 69,000 volts or higher.
- e) The Primary Rate will also apply to Customers served at 23,000 or 33,000 volts.
- f) The Transmission Rate will apply to Customers served at 69,000 volts or higher.

3. Rates and Charges per Meter per Month:

a) Schedule of Rates

The rates for the service code are set forth below.

<u>Rate Code 285</u>	<u>Secondary</u>	<u>Primary</u>	<u>Transmission</u>
Service Charge per day	\$7.50	\$7.50	\$7.50
Meter Charge per day	\$2.50	\$6.50	\$6.50
	<u>Rate Periods**</u>		
	1	2	3
	<u>Off-Peak</u>	<u>On-Peak *</u>	<u>Intermediate</u>
	all year midnight to 7 a.m.	June - Sept. except Sundays 10 a.m. to 10 p.m.	all other hours
<u>Demand Charge per kW</u>			
Secondary	none	\$22.09	\$5.26
Primary	none	\$18.96	\$4.65
Transmission	none	\$15.68	\$3.81
<u>Energy Charge per kWh</u>			
Secondary	\$.02 3768	\$.04 85516	\$.03 78409
Primary	\$.02 4849	\$.04 4677	\$.03 5687
Transmission	\$.02 4748	\$.04 3061	\$.03 4677
<u>Minimum Demand Charge</u>			
per Meter per kW			
per Rate Period			
Secondary	none	\$33.50	\$9.21
Primary	none	\$28.76	\$8.13
Transmission	none	\$23.79	\$6.68

*For Rate M285, the modified peak period is from 3 p.m. to 10 p.m. on weekdays (Monday – Friday)

** See Paragraph IV.A.10, "Daylight Savings Time", on Leaf No.99.

VIII. SERVICE CLASSIFICATIONS (continued):

I. SERVICE CLASSIFICATION NO. 2 - MRP

Large General and Industrial Service With Multiple Rate Periods (continued):
(Rate Codes: 284, 285, M284, M285)

3. Rates and Charges per Meter per Month (continued):

<u>Rate Code 284</u>	<u>Secondary</u>	<u>Primary</u>	<u>Transmission</u>
Service Charge per day	\$7.50	\$7.50	\$7.50
Meter Charge per day	\$2.50	\$6.50	\$6.50
	<u>Rate Periods**</u>		
	1	2	3
	<u>Off-Peak</u> all year 11 p.m. to 7 a.m.	<u>On-Peak *</u> June – Sept weekdays 12 noon to 8 p.m.	<u>Intermediate</u> all other hours
<u>Demand Charge per kW</u>			
Secondary	none	\$42.83	\$4.28
Primary	none	\$38.45	\$3.84
Transmission	none	\$28.74	\$2.87
<u>Energy Charge per kWh</u>			
Secondary	\$.00 6394	\$.04 4172	\$.04 0839
Primary	\$.00 4879	\$.03 70401	\$.03 4778
Transmission	\$.00 4879	\$.03 4576	\$.03 2859
<u>Minimum Demand Charge</u> per Meter per kW per Rate Period			
Secondary	none	\$54.99	\$7.25
Primary	none	\$49.57	\$6.68
Transmission	none	\$36.88	\$5.06

* For Rate Code M284, the modified peak period is from 3 p.m. to 8 p.m.

** See Paragraph IV.A.10, "Daylight Savings Time", on Leaf No. 99.

b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

VIII. SERVICE CLASSIFICATIONS (continued):**K. SERVICE CLASSIFICATION NO. 5**
Traffic Signal Lighting (continued):
(Rate Code: 980)4. Definition of Control Mechanism for Billing Purposes:

- a) A control mechanism is a device that controls the signal lights and other traffic/pedestrian equipment at an intersection.

5. Rates and Chargesa) Rates per Signal Face of Light per Month

\$6.~~0030~~ per control mechanism per month.
\$2.~~703.00~~ per incandescent signal face per month.
\$2.~~5570~~ per LED signal face per month

b) Adjustment to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, ~~and~~ the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

6. Terms of Payment

The Customer shall pay the balance due in cash, including checks and money orders, on receiving the bill. Late payments shall be subject to Late Payment Charges.

7. Term of Service

- a) The Authority will provide service to the Customer until service is terminated either by the Customer or the Authority.
- b) The Customer shall give the Authority thirty (30) days written notice when requesting termination of service.
- c) The Authority may terminate service to the Customer in accordance with the provisions of this Tariff, after giving the Customer thirty (30) days written notice.

VIII. SERVICE CLASSIFICATIONS (continued):

L. SERVICE CLASSIFICATION NO. 7

Outdoor Area Lighting:
(Rate Code: 780)

1. Who Is Eligible

Customers who used this service for outdoor lighting before December 5, 1986, provided:

- a) Suitable overhead distribution facilities exist, except,
- b) When only one (1) span of overhead secondary cable per lighting fixture is needed. In such cases, the Authority will provide the cable on existing poles.

2. Character of Service

- a) Unmetered, single-phase, 60 hertz, alternating current supplied to Authority-owned, operated, and maintained lighting facilities, and
- b) Provided for approximately 4,210 hours per year (4,222 for a leap year), at suitable voltages chosen by the Authority, and
- c) Provided to mercury vapor and incandescent lighting facilities.

3. Rates and Charges

a) Rates per Mercury Vapor Facility per Month

Type Luminaire	Approximate Lumens	Total Watts	Monthly Rates
Area Light	7,000	200	\$12.60 <u>13.20</u>
Area Light	21,000	455	\$18.75 <u>20.10</u>
Flood Light	21,000	455	\$20.40 <u>21.60</u>
Flood Light	52,000	1,100	\$43.50 <u>46.50</u>

b) Rates per Incandescent Facility per Month

Type Luminaire	Approximate Lumens	Total Watts	Monthly Rates
Flood Light	100 c.p.	92	\$5.40 <u>4.00</u>
Flood Light	250 c.p.	189	\$9.30 <u>9.00</u>

c) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, ~~and the Shoreham Property Tax Settlement Rider, the New York State Assessment Factor, and the Energy Efficiency Cost Recovery Rate, the New York State Assessment Factor and the~~ Securitization Offset Charge.

VIII. SERVICE CLASSIFICATIONS (continued):**M. SERVICE CLASSIFICATION NO. 7A****Outdoor Area Lighting - HPS (High Pressure Sodium) and MH (Metal Halide):****(Rate Codes: 781, 782)**1. Who Is Eligible

Customers who will use this service for outdoor lighting, provided:

- a) Suitable overhead distribution facilities exist, except
- b) When only one (1) span of overhead secondary cable per lighting fixture is needed. In such cases, the Authority will provide the cable on existing poles. Charges for additional cable and poles are given below.

2. Character of Service

- a) Unmetered, single-phase, 60 hertz, alternating current supplied to Authority-owned, operated, and maintained lighting facilities, and
- b) Provided for approximately 4,090 hours per year (4,102 for a leap year), at suitable voltages chosen by the Authority, and
- c) Provided to high pressure sodium and metal halide facilities.

3. Rates and Chargesa) Rates per Lighting Facility per Month

<u>Lamp Type</u>	<u>Type Luminaire</u>	<u>Approximate Lumens</u>	<u>Total Watts</u>	<u>Monthly Rates</u>
High Pressure Sodium*	Area Light	6,400	108	\$17. 40 70
High Pressure Sodium*	Flood Light	27,500	309	\$22. 20 3.10
High Pressure Sodium*	Flood Light	50,000	476	\$30. 00 1.20
Metal Halide*	Flood Light	36,000	453	\$30. 30 1.50
Metal Halide*	Flood Light	110,000	1093	\$369.00
High Pressure Sodium	Full Cut-off	4,000	63	\$23. 40 40
High Pressure Sodium	Full Cut-off	6,300	91	\$23. 40 70
High Pressure Sodium	Full Cut-off	9,500	128	\$24. 00 30

*Commencing October 1, 2003, not available for new installations or replacements.

VIII. SERVICE CLASSIFICATIONS (continued):

M. SERVICE CLASSIFICATION NO. 7A

Outdoor Area Lighting - HPS (High Pressure Sodium) and MH (Metal Halide) (continued):
(Rate Codes: 781, 782)3. Rates and Charges (continued):

High Pressure Sodium	Full Cut-off	28,500	305	\$27.608.50
High Pressure Sodium	Full Cut-off	50,000	455	\$36.007.20
Metal Halide	Full Cut-off	20,500	288	\$27.758.50
Metal Halid	Full Cut-off	36,000	455	\$36.007.20

b) The charge for Additional Overhead Secondary Cable and Poles dedicated to the Customer is \$13.20 per span per month.

c) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, ~~and the Shoreham Property Tax Settlement Rider, the New York State Assessment Factor, and the Energy Efficiency Cost Recovery Rate, the New York State Assessment Factor and the Securitization Offset Charge.~~

4. Minimum Charge

The monthly Minimum Charge is the facilities charge computed under the rates in 3 a), b) and c) above for the number of lighting facilities in place on the billing date.

5. Terms of Payment

The Customer shall pay the balance due in cash, including checks and money orders, on receiving the bill. Late payments shall be subject to Late Payment Charges.

6. Term of Service

a) The Term of Service is two (2) years, and the Authority will provide service to the Customer until service is terminated either by the Customer or the Authority.

b) The Customer shall give the Authority five (5) days written notice when requesting termination of service, after two (2) years from the start of service.

c) The Authority may terminate service to the Customer in accordance with the provisions of this Tariff.

d) The Authority may terminate service immediately if, for any reason, the Authority is not able to maintain the lines needed to supply the facility or is unable to maintain the facility.

e) The Authority will terminate service to a location and remove the facilities if the Authority decides that a location is too costly because of damaged equipment, unless a satisfactory arrangement can be made between the Authority and the Customer.

VIII. SERVICE CLASSIFICATIONS (continued):**N. SERVICE CLASSIFICATION NO. 10****Public Street and Highway Lighting Energy and Connections:**
(Rate Codes: 1580, 1581)1. Who Is Eligible

- a) Customers who will use this service for lighting of public streets, highways, parks, parking fields, and similar areas where facilities are owned and maintained by governmental agencies or their agents, and
- b) The Authority will furnish service only after suitable agreements are signed that cover energy requirements and service connections.

2. Character of Service

- a) Unmetered, single-phase, 60 hertz, alternating current supplied to Customer-owned, operated, and maintained lighting facilities (a lighting facility includes luminaries, posts, supply circuits, and all associated equipment needed), and
- b) Provided at suitable voltages chosen by the Authority.

3. Rates and Charges

- a) The Energy Charge per Lighting Facility per Month is \$.0558603 per kWh, for the monthly kWhs of unmetered lighting service specified in this Tariff.
- b) The Underground Connection Charge per Month is \$4.65 per Energy Delivery Point serving one or more underground-supplied lighting facility as described in Special Provision 7.a. below.
- c) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, ~~and the Shoreham Property Tax Settlement Rider, the New York State Assessment Factor, and the Energy Efficiency Cost Recovery Rate, the New York State Assessment Factor and the~~ Securitization Offset Charge.

4. Minimum Charge

The monthly Minimum Charge is the total Underground Connection Charge, plus Adjustments to Rates and Charges.

5. Terms of Payment

The Customer shall pay the balance due in cash, including checks and money orders, on receiving the bill. Late payments shall be subject to Late Payment Charges.

VIII. SERVICE CLASSIFICATIONS (continued):**P. SERVICE CLASSIFICATION NO. 12****Back-Up and MaintenanceSupplemental Service:**
(Rate Codes: 680, 681)1. Who Is Eligible

All Customers whose electric needs are not entirely supplied by the Authority and who apply in writing. The non-Authority supply may be:

- a) Connected with the Authority's service for parallel operation, or
- b) Isolated from the Authority's service by a double throw switch, or
- c) When allowed, supplied from a remote location. Allowed circumstances include Remote Net Metering and Recharge NY service as provided for in this Tariff.

2. Types of Service

- a) Back-Up Service provides the electricity the Customer normally gets from a non-Authority supply, when there is an unscheduled interruption of that supply.
- b) Maintenance Service provides electricity during a scheduled interruption of the Customer's supply, to allow the Customer or the Authority to do maintenance work on its equipment. ~~Scheduling of the interruption of the Customer's non-Authority supply shall be done with the Authority in advance of the interruption.~~
- c) Supplemental Service provides the electricity the Customer needs that is in addition to the electricity normally provided from the non-Authority supply.

3. Customer Options:

- a) The non-Authority supply may be isolated from the Authority's service or connected for parallel operation with the Authority's Back-Up and MaintenanceSupplemental Service, but
- b) Connection for parallel operation is required to receive Supplemental Service.

VIII. SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

Back-Up and ~~Maintenance~~Supplemental Service (continued):
(Rate Codes: 680, 681)

4. Character of Service

- a) 60 hertz, single or three-phase alternating current.
- b) Service is metered at one standard delivery voltage, and the Authority will determine the site-specific characteristics and make the necessary adjustments to maintain that delivery voltage.

5. Rates and Charges for Backup and Supplemental Service

- a) Customers requiring Supplemental Service will pay the rates and charges under another suitable Service Classification. In this case, the Customer will comply with the terms of this Service Classification including the interconnection provision, that are in addition to, and do not conflict with the requirements of the suitable Service Classification.
- (1) Customers that receive their non-Authority supply from the New York Power Authority (NYPA) under the Recharge NY program will be designated as Rate Code 680.
- (2) Customers that are a Qualifying Facility under Part 292 of Title 18 of the Code of Federal Regulations, and choose to pay the rates under this Service Classification will be designated as Rate Code 681.
- (3) Customers that are eligible for net metering pursuant to § 66 – j or § 66 – l of the Public Service Law will be designated with the rate code associated with that suitable Service Classification
- (4) Any Back-up Service provided in conjunction with Supplemental Service will be included with the usage and demand billed at the specified rates for Supplemental Service.

~~5. Rates and Charges for Rate II – Back-Up and Maintenance Services~~

~~Customers who take service under both this Service Classification and Service Classification No. 15 – Supplemental Service must provide notification to the Authority within 48 hours when utilizing Back-Up and Maintenance Service. If proper notification is not received by the Authority, all of the customer’s usage will be billed as Supplemental Service. b) Service Charge per Installation per Month (Rate Code 681)~~

- (1) The Service Charge applies to all Back-Up ~~and Maintenance~~ Service except when this service is combined with Supplemental Service, ~~then the Service Charge for Back-Up and Maintenance is billed under Rate II (b.2) below.~~

Service

Back-Up and
~~Maintenance~~Supplemental

Secondary Voltage (7 KW and less):	\$33.00
Secondary Voltage (Above 7 KW):	\$60.00
Primary Voltage:	\$99.00

~~(2) The Service Charge applies to all Back-Up and Maintenance Service which is combined with Supplemental Service and provided in parallel operation with the non-Authority supply.~~

	<u>Back-Up and Maintenance Service</u>
<u>Secondary Voltage (7 KW and less):</u>	<u>\$33.00</u>
<u>Secondary Voltage (Above 7 KW):</u>	<u>\$66.00</u>
<u>Primary Voltage:</u>	<u>\$108.00</u>

VIII. SERVICE CLASSIFICATIONS (continued):**P. SERVICE CLASSIFICATION NO. 12****Back-Up and ~~MaintenanceSupplemental~~ Service (continued):**
(Rate Codes: 680, 681)**Rates and Charges (continued):**

(~~23~~) Customers taking service at the transmission voltage level shall pay the full cost of metering devices and any other Local Facilities as part of the Interconnection Charge (see 6. and 7. below) and will not pay a monthly Service Charge.

- c) Demand Charges for Distribution recover the costs of distribution facilities not paid for by the Customer as a lump sum payment or in the Service Charge.

Contract Demand Charge per KW per Month (Rate Code 681)

The Contract Demand Charge is paid monthly for capacity contracted for by Back-Up and ~~MaintenanceSupplemental~~ Service Customers taking service at the primary and secondary distribution levels, as described in Special Provision 11.e. below.

	<u>Back-Up and MaintenanceSupplemental Service</u>
Secondary:	\$2.50
Primary:	\$2.10

As-Used Demand Charge per KW per Month (Rate Code 681)

The As-Used Demand Charge is paid in addition to the Contract Demand Charge by Back-Up and ~~MaintenanceSupplemental~~ Service Customers taking service at the primary and secondary distribution levels for demand used during an interruption of the non-Authority supply. The demand billed shall be the highest demand during the month, but not less than one hundred percent (100%) of the highest demand in the last eleven (11) months.

	<u>Back-Up and MaintenanceSupplemental Service</u>
Secondary:	\$2.50
Primary:	\$2.10

VIII. SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

Back-Up and ~~Maintenance~~Supplemental Service (continued):
 (Rate Codes: 680, 681)

Rates and Charges (continued):

d) Energy Charges per kWh (Rate Code 681)

~~Rate A (Rate Code 681) – Energy Charges per kWh for both Back-Up and MaintenanceSupplemental Service that apply to Qualifying Facilities who only need Back-Up and Maintenance for power plant load.~~

	<u>Rate Periods*</u>		
	1	2	3
	Midnight to 7 a.m. all year	June - Sept., except Sunday, 10 a.m. to 10 p.m.	All remaining hours
Secondary	\$.021 <u>243</u>	\$.202 <u>657</u>	\$.046 <u>091</u>
Primary:	\$.020 <u>435</u>	\$.196 <u>495</u>	\$.044 <u>071</u>
Transmission	\$.019 <u>223</u>	\$.188 <u>7918</u>	\$.041 <u>243</u>

~~Rate B (Rate Code 680) – Energy Charges per kWh for both Back-Up and Maintenance Service that apply to all other Customers.~~

	<u>Rate Periods*</u>	
	1	2
	Midnight to 7 a.m. all year	June - Sept., All remaining hours except Sunday, 10 a.m. to 10 p.m.
Secondary:	\$.021 <u>212</u>	\$.347 <u>7</u> \$.049 <u>0</u>
Primary:	\$.020 <u>204</u>	\$.338 <u>0</u> \$.047 <u>0</u>
Transmission	\$.019 <u>2</u>	\$.326 <u>5</u> \$.044 <u>0</u>

* See Paragraph IV.A.10, "Daylight Savings Time", on Leaf No. 99.

e) Reactive Power Charge

Net Reactive Demand Charge per kvar = \$.27 for primary and transmission voltage services only, and applies from 7 a.m. through 11 p.m.

VIII. SERVICE CLASSIFICATIONS (continued):**P. SERVICE CLASSIFICATION NO. 12****Back-Up and ~~Maintenance~~Supplemental Service (continued):**
(Rate Codes: 680, 681)5. Rates and Charges (continued):f) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

g) Surcharge for Exceeding the Contract Demand for Back-Up and ~~Maintenance~~Supplemental Service

(1) If the monthly maximum demand supplied for Back-Up and ~~Maintenance~~Supplemental Service is

greater than the Contract Demand by 10 percent (10%) or less, the Authority will apply a surcharge equal to twelve (12) times the difference in monthly Rate II Demand Charges to that month's bill, or

(2) If the monthly capacity supplied is greater than the Contract Demand by more than 10 percent (10%), the Authority will apply a surcharge equal to twenty-four (24) times the difference in monthly Rate II Demand Charges to that month's bill, and

(3) In both 1 and 2, the Authority will increase the Contract Demand to the highest average kilowatts measured in a 15-minute interval during any month (maximum monthly demand).

6. Interconnection Charges

Interconnection Charges are for costs, not covered elsewhere, that are more than what the Authority's ordinary costs would have been to supply the Customer's electrical needs under a suitable Service Classification. The Customer shall pay the Authority the Interconnection Charges in full when the extra costs arise. The Authority will also charge an application fee of \$350 which may be applied to the costs of interconnection.

(a) The application fee will be returned to Customers that are participating in net metering to the extent it is not used to cover the cost of interconnection.

(b) Customers that are not participating in net metering will not be entitled to the return of any portion of their application fee, even to the extent it is not used to cover the cost of interconnection.

(c) The application fee will not be returned to Customers that withdraw their application or otherwise do not complete their interconnection agreement.

VIII. SERVICE CLASSIFICATIONS (continued):**P. SERVICE CLASSIFICATION NO. 12****Back-Up and Maintenance Supplemental Service (continued):**
(Rate Codes: 680, 681)11. Special Provisionsa) Customer Service Options

- (1) The Customer's non-Authority supply may be isolated from the Authority's service by a double throw switch, or
- (2) Connected with the Authority's service for parallel operation. In this case, the Authority will provide suitable metering and charge the Customer for each additional meter.
- (3) The Customer may choose to have the Authority use its estimating procedure to determine the separation of energy and demand between the Supplemental and Back-Up/Maintenance Services.
- (4) A Customer which is a Qualifying Facility under Part 292 of Title 18 of the Code of Federal Regulations or eligible for Net Metering under PSC 66-j or 66-l may choose, once in every 12-month period, to make its purchases of energy and demand for Back-Up and Maintenance at rates either:
 - (a) Under this Service Classification, or
 - (b) Under a suitable firm Service Classification. In this case, the Customer will comply with the terms of this Service Classification, including the Interconnection Charge provision, that are in addition to and do not conflict with the requirements of the suitable firm Service Classification.

~~b) Customers Exceeding the 10 percent (10%) Load Factor Test~~

- ~~(5) The load factor is the ratio of the average demand (KWH for Back-Up and Maintenance Service divided by the numbers of hours) to the Contract Demand during the Rate Period.~~
- ~~(2) If the Customer's load factor for Back-Up and Maintenance Service during any Rate Period is greater than 10 percent (10%):~~
 - ~~(a) Following that period, the Authority will bill the Customer for service under Supplemental Service, but~~
 - ~~(b) The Interconnection Charge provision will still apply.~~
- ~~(6) Customers transferred to Supplemental Service for exceeding the 10 percent (10%) load factor test become eligible for Back-Up and Maintenance Service if they maintain a load factor of 10 percent (10%) or less for one (1) year.~~

~~e) Submetering may be available under certain conditions, as specified in this Tariff.~~

VIII. SERVICE CLASSIFICATIONS (continued):**P. SERVICE CLASSIFICATION NO. 12****Back-Up and ~~Maintenance~~Supplemental Service (continued):**
(Rate Codes: 680, 681)**Special Provisions (continued):**d) Reactive Demand Charges

- (1) Transmission and primary service Customers who use electricity at a Power Factor of less than 90 percent (90%) and choose to pay a monthly Reactive Demand Charge, shall pay for the additional metering equipment either when it is installed or through a monthly charge.
- (2) For the first twelve (12) months of billing for Reactive Demand Charges, the KVAR charges will not exceed 1 percent (1%) of the Customer's total bill.

e) Contract Demands

- (1) Customers taking ~~Supplemental, Back-Up, and Maintenance~~Supplemental Service while operating their non-Authority supply in parallel with the Authority's supply and who choose an estimating procedure described above, shall contract for their highest Supplemental and Back-Up/ Maintenance loads (kW). These contracted amounts will be used to estimate the energy used for both ~~Supplemental and Back-Up/Maintenance Service~~ and Supplemental Service.
- (2) Customers taking Back-Up/Maintenance Service at the primary and secondary voltage levels will contract for sufficient distribution capacity (kW) to meet their Back-Up/ Maintenance loads. Customers who underestimate their capacity level will be subject to a penalty as described in 6.g above.

f) Interconnection Agreement

- (1) The Authority may disconnect a Customer from the system if the Customer operates a generator in parallel with the Authority's system without an Interconnection Agreement (IA) with the Authority.
- (2) The Customer must sign an IA within ninety (90) days of written notice, including a draft IA, from the Authority, unless

~~(1)~~(3) The Customer has filed a complaint following the complaint procedures in this tariff relating to the IA within the 90-day period. In this case, the Customer will not be disconnected until the complaint is resolved, unless the parallel generation creates a hazardous condition or threatens the integrity of the system.

VIII. SERVICE CLASSIFICATIONS (continued):**Q. SERVICE CLASSIFICATION NO. 13****Negotiated Rate Service for Large Commercial Customers (continued):**
(Rate Codes: 278)5. Rates

- a) The specific charges for each Customer's service will be stated in the Electric Service Agreement, and
- b) The minimum rate will allow the Authority to recover all of its additional costs, plus contribute at least one (1) cent per kilowatt-hour to fixed costs.
- c) The specific charges applicable to the Brookhaven Laboratories receiving service from the New York Power Authority pursuant to a "sale for resale" agreement may be set equal to the cost of the power supply agreement plus a charge equivalent to the wholesale transmission rate for delivery of power, as the rate may change from time to time.

6. Adjustments to Rates and Charges

Except as stated in 5.c) above, each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, ~~and the Shoreham Property Tax Settlement Rider, the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the Securitization Offset Charge.~~

7. Terms of Payment

- a) The Customer shall pay the balance due in cash, including checks and money orders, or through an acceptable money-transfer process, on receiving the bill.
- b) Late payments shall be subject to Late Payment Charges.

8. Term of Service

The Term of Service shall be negotiated as part of the Electric Service Agreement and shall be no greater than 7 years, except for Traction Power Service to the Long Island Rail Road, which may extend for a longer term.

9. Special Provisions

- a) Before entering into an Electric Service Agreement:
 - (1) All Applicants are required to complete to the Authority's satisfaction the application for service for this Service Classification.
 - (2) Existing Attraction and Retention Applicants are required to demonstrate to the Authority's satisfaction that their other energy sources or the actions they are considering are realistic alternatives to the continued purchase of the Authority's electric power at the regular rates for all or part of their load.

~~b) The Authority may offer Customers more than rate reductions. Offers may include but are not necessarily limited to rate stability contracts, value-added services, or real-time pricing.~~

VIII. SERVICE CLASSIFICATIONS (continued):**Q. SERVICE CLASSIFICATION NO. 13****Negotiated Rate Service for Large Commercial Customers (continued):**
(Rate Codes: 278)9. Special Provisions (continued):

- b) The Authority may offer Customers more than rate reductions. Offers may include but are not necessarily limited to rate stability contracts, value-added services, or real-time pricing.
- c) The Authority may require that Applicants accepted for this Service Classification have an energy audit of existing facilities or a design consultation on new facilities. The savings that result from following the audit recommendations may be included in the benefits computed by the Authority under the Electric Service Agreement.
- d) The Authority has the right not to offer service under this Service Classification to a Customer if, in the Authority's judgment, it is not in the best interests of other Customers.
- e) The Authority will not offer Negotiated Rate Service to compete with Economic Development Power of the New York Power Authority.

VIII. SERVICE CLASSIFICATIONS (continued):**R. SERVICE CLASSIFICATION NO. 15****Supplemental Service:****(Rate Code: 273)****1. Who is Eligible**

~~All non-residential, demand-metered Customers whose electric needs are supplied in part by the Authority and who apply in writing. Customers participating in the Long Island Choice program are not eligible. The non-Authority supply may be:~~

~~a) Supplied from electrical generation at the Customer's location. The Customer supply may be:~~

~~i) Connected with the Authority's service for parallel operation, or~~

~~ii) Isolated from the Authority's service by a double throw switch.~~

2. Type of Service

~~a) Supplemental Service is defined as the electricity the Customer needs that is in addition to the electricity normally provided from the non-Authority supply. Customers may choose to use Supplemental Service in lieu of their non-Authority supply, without notification.~~

3. Character of Service

~~I. 60 hertz, single or three-phase alternating current.~~

~~II. Service is metered at one standard delivery voltage, and the Authority will determine the site-specific characteristics and make the necessary adjustments to maintain that delivery voltage.~~

I. Rates and Charges for Supplemental Service

~~II. Customers described below may choose to pay the rates and charges under another suitable Service Classification. In this case, the Customer will comply with the terms of this Service Classification including the interconnection provision, that are in addition to, and do not conflict with the requirements of the suitable Service Classification:~~

~~II. Customers that receive their non-Authority supply from the New York Power Authority (NYPA) or~~

~~III. Customers that are a Qualifying Facility under Part 292 of Title 18 of the Code of Federal Regulations, or~~

~~IV. Customers that are eligible for net metering pursuant to § 66-j or § 66-l of the Public Service Law.~~

[CANCELLED]

VIII. SERVICE CLASSIFICATIONS (continued):**R. SERVICE CLASSIFICATION NO. 15****Supplemental Service (continued):****—(Rate Code: 273)**

- ~~(3) Customers taking Supplemental Service prior to January 23, 2001.~~
- ~~(4) Customers whose non-Authority supply is not adequate to meet at least 50% of the Customer's summer peak load requirement.~~
- ~~(5) Customers who choose to pay the rates and charges under Service Classification No. 15 will be allowed to switch back to their suitable Service Classification after they have paid the rates and charges under this Service Classification for a minimum of twelve (12) months.~~
- ~~b) Customers that are eligible for Service Classification Nos. 1, 1-VMRP(L), 1-VMRP(S), 2, 2-VMRP, 2L, 2H, and 2L-VMRP must pay the rates and charges under that suitable Service Classification.~~
- ~~c) The rates for Supplemental Service are comprised of a Service Charge, Summer Demand Charge and Energy Charges as shown below.~~
- ~~d) Service Charge per month~~
 - ~~(1) The Service Charge is a fixed monthly charge that will be determined specifically for each Customer prior to the initiation of service. Once established, the monthly Service Charge will remain in effect at that specifically determined level unless:
 - ~~(a) Service to the Customer under this Service Classification is terminated.~~
 - ~~(b) The method used to determine the Service Charge, or the monetary value used in the method (See 2. below), is modified.~~
 - ~~(c) The Customer's actual or estimated load changes by more than 20% from the value used to establish the Service Charge. The change may increase or decrease the Service Charge.~~
 - ~~(d) The Service Charge will not be increased or decreased until the Customer's loads in all four summer months have been evaluated.~~~~
 - ~~(2) The Service Charge will be calculated as the highest demand of the Customer's entire electrical load requirements during the most recently completed June through September (Summer) period prior to initiation of this service times the monetary value specified in (e) per kW of demand.
 - ~~(a) The load factor will be calculated as the average hourly electrical load requirement for the most recently completed twelve month period through the end of September divided by the highest demand of the Customer's entire electrical load requirements during the most recently completed June through September (Summer) period.~~
 - ~~(b) The entire electrical load requirement includes any LIPA supply and any non-LIPA supply consumed by the Customer at that location.~~
 - ~~(c) The electrical load may be actual metered values or estimated values derived from an evaluation of the connected load of the customer, depending on the metering configuration chosen by the Customer.~~~~

[CANCELLED]

VIII. SERVICE CLASSIFICATIONS (continued):

~~R. SERVICE CLASSIFICATION NO. 15
Supplemental Service (continued):
(Rate Code: 273)~~

~~d) The highest demand of the Customer's entire electrical load requirements may be estimated where metered information is not available.~~

~~e) Service Charge per kW per month:~~

Load Factor Percent		Service Charge
Greater than	Up to	
0	15	\$ 5.26
15	25	\$ 7.77
25	35	\$10.27
35	45	\$12.78
45	55	\$15.60
55	65	\$18.01
65	75	\$20.40
75	85	\$23.93
85	100	\$26.38

~~f) Energy Charge per month; Two Options:~~

~~(1) Standard Energy Charge: The standard energy charge will be \$0.0008 per kWh for all rate periods and times.~~

~~(2) The Authority may establish energy charges based on the hourly Locational Based Marginal Prices of the New York Independent System Operator for the Long Island Zone. In that event, Customers may elect to pay the standard energy charge or enter into an agreement with the Authority governing the terms and conditions of the hourly Locational Based Marginal pricing option.~~

~~g) Replacement Energy Charge per month:~~

~~The Authority will provide replacement energy to the Customer when the Customer's supply at its location is not producing enough energy to meet its Contract Demand, subject to the following conditions:~~

~~(1) The replacement energy charge will be \$0.0500 per kWh, plus the standard or locational based energy charges described in f) above.~~

~~(2) A Contract Demand level will be established when service is initiated. The Contract Demand Level will be set equal to the rated net hour output of the Customer's supply or Customer's maximum summer peak load, whichever is lower.~~

~~(3) Customer may establish a contract demand level which is lower than the rated net hour output of the Customer's supply but not less than 50% of the Customer's maximum summer peak load. The Authority will automatically increase the Contract Demand level to the highest metered net hour output of the Customer's supply.~~

~~(4) If the Customer's supply during the Summer On-Peak Period for the month is less than the Contract Demand multiplied by the Summer On-Peak period hours for the~~

~~month, the Customer will be billed the difference at the replacement energy charge.~~

~~[CANCELLED]~~

VIII. SERVICE CLASSIFICATIONS (continued):

R. SERVICE CLASSIFICATION NO. 15
Supplemental Service (continued):
(Rate Code: 273)

h) Demand Charge per month:

	<u>Rate Periods</u>	
	<u>On-Peak</u>	<u>Off-Peak</u>
	<u>June – September</u>	<u>All</u>
	<u>Weekdays</u>	<u>Other</u>
	<u>12 noon to 8 p.m.</u>	<u>Hours</u>
<u>Demand Charge per KW</u>	<u>\$22.50</u>	<u>None</u>

i) Adjustment to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate (except for the energy component for those customers who have contracted to pay energy on the Locational Based Marginal Prices), Increases in Rates and Charges to recover PILOT payments the Shoreham Property Tax Settlement Rider, the New York State Assessment Factor, and the Energy Efficiency Cost Recovery Rate.

j) Reactive Power Charge

Net Reactive Demand Charge per KVAR = \$.27 for primary and transmission voltage service only, and applies from 7 a.m. through 11 p.m.

k) The annual charge for this service is the lower of the annual charges of Service Classification No. 15 or Service Classification No. 2 – MRP for the total electrical requirements of the Customer at that location.

a) Interconnection Charges

a) Interconnection Charges are for costs, not covered elsewhere, that are more than the Authority's ordinary costs would have been to supply the Customer's electrical needs under a suitable Service Classification. The Customer shall pay the Authority the Interconnection Charges in full when the extra costs arise.

b) Maintenance Charges for Interconnection Equipment:

- (1) The Authority will maintain interconnection equipment installed on its property. A Customer with more than 2,000 kW of generating capacity will pay an annual charge of 11.4% on the total investment in the interconnection equipment.
- (2) If the interconnection equipment is located on the Customer's property, the Customer has the option to:
 - (1) Have the Authority furnish and maintain the interconnection equipment, and the Customer or its successor on the site will pay an annual Maintenance Charge of 11.4% on the total investment in the interconnection equipment, or

[CANCELLED]

VIII. SERVICE CLASSIFICATIONS (continued):**~~R. SERVICE CLASSIFICATION NO. 15~~****~~Supplemental Service (continued):~~****~~—(Rate Code: 273)~~****~~6. Maintenance Charges for Interconnection Equipment (Continued):~~**

~~(1) Furnish, own, operate, and maintain all the interconnection equipment, provided that the interconnection equipment and maintenance are suitable for interconnection operations, and the equipment meets Authority specifications, and is reasonably available for the Authority's inspection.~~

~~ii. The customer shall pay the Replacement Costs, less net salvage, when equipment covered in the Customer's Interconnection Charge needs to be replaced.~~

~~d) If a Customer disputes the Authority's charge for interconnection costs, it may lodge a complaint following the complaint procedures in this Tariff.~~

~~e) Additional information is found in the Authority's *Smart Grid Small Generator Interconnection Procedures*.~~

~~a) Terms of Payment~~

~~The Customer shall pay the balance due in cash, including checks and money orders, on receiving the bill. Late payments shall be subject to Late Payment Charges.~~

~~b) Term of Service~~

~~a) The Authority may terminate service to the Customer in accordance with the provisions of this Tariff.~~

~~e) The Customer may return to a full requirements Service Classification only if:~~

~~i. Its alternative supply is removed or inoperable, and~~

~~ii. It has paid the rates and charges under Supplemental Service for a minimum of twelve (12) months~~

~~9. Special Provisions~~**~~a) Customer Service Options~~**

~~(1) The Customer's supply may be isolated from the Authority's service by a double throw switch, or~~

~~(2) Connected with the Authority's service for parallel operation.~~

~~b) The Authority will provide suitable metering to measure the Customer's load and the Customer's supply. The Customer will be charged for the meter(s) necessary to measure generator(s) output.~~

~~ii. Submetering may be available under certain conditions, as specified in this Tariff.~~

[CANCELLED]

VIII. SERVICE CLASSIFICATIONS (continued):

~~**R. SERVICE CLASSIFICATION NO. 15**
Supplemental Service (continued):
(Rate Code: 273)~~

~~d) How Net Reactive Demand is Determined~~

~~(1) The Net Reactive Demand is the 15-minute integrated kilovolt-amperes of lagging reactive demand minus 48% of 15-minute integrated kilowatt demand recorded during the same 15-minute period.~~

~~(2) The Customer will be billed monthly for the maximum Net Reactive Demand recorded between 7:00 a.m. through 11:00 p.m.~~

~~(3) For billing purposes, the maximum Net Reactive Demand will be the greater of:~~

~~e) The maximum Net Reactive recorded for the month from 7:00 a.m. through 11:00 p.m., or~~

~~b) 100% of the maximum Net Reactive Demand recorded from June through September, from 7:00 a.m. through 11:00 p.m., during the last eleven (11) months.~~

~~4. Reactive Demand Metering Charges~~

~~Transmission and primary service Customers who use electricity at a Power Factor of less than 90 percent (90%) shall pay for the additional metering equipment either when it is installed or through a monthly charge.~~

~~f) Interconnection Agreement~~

~~II. The Authority may disconnect a Customer from the system if the Customer operates a generator in parallel with the Authority's system without an Interconnection Agreement (IA) with the Authority.~~

~~III. The Customer must sign a IA within ninety (90) days of written notice, including a draft IA, from the Authority, unless~~

~~(3) The Customer has filed a complaint following the complaint procedures in this tariff relating to the IA within the 90-day period. In this case, the Customer will not be disconnected until the complaint is resolved, unless the parallel generation creates a hazardous condition or threatens the integrity of the system.~~

~~g) Buy-Back Payments~~

~~Customers who pay the rates and charges under this Service Classification whose generation output exceeds their load will be compensated for On-Peak energy only under Service Classification No. 11—Buy-Back Service. No compensation will be paid for generation in excess of load during all other periods.~~

~~[CANCELLED]~~

VIII. SERVICE CLASSIFICATIONS (continued):**S. SERVICE CLASSIFICATION NO. 16- AMI****Advanced Metering Initiative Pilot Service (continued):****(Rate Codes: M188, M288, M282, M284, M285)**

- d) Eligible participants will be required to enter into a signed agreement that specifies the terms of participation in the pilot program, including the duration of participation, applicable rates and charges, compensation (if any), program operational requirements and the conditions for early release from the pilot program.

3. Program Eligibility/Non-Eligibility

- a) Residential and non-residential Customers who volunteer for the pilot program must be located in the geographic areas where the pilot program is being tested.
- b) Qualified participants will be chosen on a first come, first served basis, except that:
- (1) LIPA Staff has the option to deny participation in the pilot program to any Customer it deems as not contributing to the objectives or requirements of the pilot program.
 - (2) LIPA may deny participation to Customers taking residential service for religious, supervised community residences or veteran's organizations if the number of residential applicants exceeds the maximum number established for residential participation in that specific experiment.
- c) Customers who are not eligible to participate in the program include:
- (1) Customers who receive service under provisions related to Residential Off-Peak Energy Storage served under Service Classification No. 1.
 - (2) Customers who receive some or all of their electric requirements from the New York Power Authority (NYPA).
 - (3) Customers who sell power to the Authority as Qualifying Facilities or are treated as Solar and Wind Electric Generators.
 - (4) Customers who receive unmetered service.
 - (5) Customers who receive service under Service Classification Nos. 11, 12, ~~and 13, or 15.~~

VIII. SERVICE CLASSIFICATIONS (continued):

S. SERVICE CLASSIFICATION NO. 16-AMI

Advanced Metering Initiative Pilot Service (continued):

(Rate Codes: M188, M288, M282, M284, M285)

4. Residential and Small General Service Time-Differentiated Pricing

Residential and Small General Service (rate codes 280 and 288) Customers participating in the Pilot Service will be charged the rates as stated below.

a) Schedule of Rates (Rate Code M188 and M288)

	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Service Charge per day	\$.3600	\$.3600
Meter Charge per day	\$.1000	\$.1000
	<u>June to September Inclusive</u>	<u>October to May Inclusive</u>
Energy Charge per kWh		
	<u>Period 1</u>	<u>Period 2</u>
7 p.m. to 2 p.m. weekdays and all day Saturday and Sunday	\$.0578625	\$.043784
	<u>Period 3</u>	<u>Period 4</u>
2 p.m. to 7 p.m. Weekdays	\$.4072119	\$.0888935

All the terms and conditions will apply as described in the Customer's previous rate and Service Classification.

b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

c) Minimum Charge

The Minimum Charge is the Service and Meter charge, plus Adjustments to Rates and Charges.

d) Maximum Charge

For the first 12 months of participation under these rates, the Maximum Charge is no more than what the Customer would have paid under their previous rate and Service Classification for the amount of service actually received over that annual period. Following 12 consecutive months of participation, the Maximum Charge may increase to the amount actually billed to the participant, so long as that condition is included in the signed agreement with the Customer.

VIII. SERVICE CLASSIFICATIONS (continued):**S. SERVICE CLASSIFICATION NO.16-AMI****Advanced Metering Initiative Pilot Service (continued):
(Rate Codes: M188, M288, M282, M284, M285)****Rates and Charges (continued):**5. Non-Residential Time-Differentiated Pricing

Non-Residential customers may choose to sign up for the Commercial Modified Time-Differentiated Pricing Program.

- a) Non-Residential customers participating in the Commercial Modified Time-Differentiated Pricing program will be eligible to take service under Service Classification Nos. 2L-VMRP or 2-MRP utilizing the modified rating periods as described on Leaf Nos. 212, 213, 226 and 227, depending on the size of the participant's load. All the terms and conditions will apply as described in the above stated ~~s~~Service ~~c~~Classifications.

b) Adjustments to Rates and Charges

Each Customer's bill will be adjusted for the Fuel and Purchased Power Cost Adjustment Rate, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, ~~the New York State Assessment Factor, and~~ the Energy Efficiency Cost Recovery Rate, ~~the New York State Assessment Factor and the~~ Securitization Offset Charge.

c) Maximum Charge

On an annual basis, the Maximum Charge is no more than what the Customer would have paid under their previous rate and Service Classification for the amount of service actually received over that annual period. Following 12 consecutive months of participation, the Maximum Charge may increase to the amount actually billed to the participant, so long as that condition is included in the signed agreement with the Customer.

6. Special Provisionsa) Exit Provisions

- (1) A participant may return to its previous rate at any time with forfeiture of payments, incentives or other specified benefits as may be stipulated in the agreement between LIPA and participants. In this situation, either:
- (a) The participant's billing will be adjusted to the beginning of their most recent anniversary date, or
- (b) If the participant's billing is for an entire twelve (12) month period (based on their anniversary date); the billing will not be adjusted.
- (2) LIPA may return a participant to their previous rate, and make the adjustments to the customer's billing as stated above, if they do not maintain their account in good standing.

IX. Long Island Choice Program (continued):**A. General Provisions (continued):**2. Who is Eligible

- a) In order to participate in the Long Island Choice Program, an Eligible Customer is a Customer who is eligible for 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 and:
- (1) Receives metered or authorized unmetered electric service from the Authority, and
 - (2) Receives all of their electric requirements from a single supplier except for the output from Solar or Wind Electric Generating Equipment that qualifies for net metering, and
 - (3) Is not explicitly excluded in 2.b), below, and
 - (4) Is licensed by the Authority as a Direct Retail Customer (DRC) or contracts with a licensed Energy Services Company (ESCO) to act as its agent for the scheduling and delivery of Electric Generation Service, and
 - (5) During those phases of the Program where total participation is limited, has been accepted into the Program by the Authority.
- b) Customers who are not eligible to participate in the LI Choice Program are:
- (1) Customers who receive service under Service Classification Nos. 11, 12, ~~and 13~~ ~~or 15~~.
 - (2) Customers who sell power to the Authority as Qualifying Facilities or Solar, Farm Waste, Micro-Combined-Heat-and-Power, Fuel Cells and Wind Customer-Generators that do not qualify for net metering.
 - (3) Customers who receive a portion of their electric requirements from self-generation or on-site generation that does not qualify for net metering, and require supplemental, backup or maintenance service from the Authority.
 - (4) Customers who receive service under provisions related to Residential Off-Peak Energy Storage served under Service Classification No. 1.

IX. LONG ISLAND CHOICE PROGRAM (continued):**C. ADJUSTMENTS TO RATES AND CHARGES FOR PARTICIPATING CUSTOMERS (cont.)**

2. The Increases in Rates and Charges to Recover PILOT Payments will be applied to all of the charges on the Participating Customer's bill.
3. \$0.0392 per kWh of the Fuel and Purchased Power Cost Adjustment will apply to the Participating Customers.
4. The Shoreham Property Tax Settlement Rider do not apply to the charges and credits contained in C.1 and C.2 above. The Shoreham Property Tax Settlement Rider will be calculated as if the Participating Customer was receiving Bundled Service from the Authority.
5. For Participating Customers, the discounts under LIPA's Business Development programs will be calculated pursuant to the provisions and energy rates applicable to Bundled Service, as if the Customer were taking Bundled Service.
6. The NYS Assessment charge will be calculated as if the Participating Customer was receiving Bundled Service from the Authority. The New York State Assessment charge will be applied before the Increases in Rates and Charges to Recover PILOT payments to all of the actual or estimated charges on the Participating Customer's bill.
7. The Rates and Charges for Participating Customers will be increased by the Energy Efficiency Cost Recovery Rate to recover energy efficiency program costs, pursuant to their prevailing Rate Code for Bundled Service.

8. Each Customer's bill will be adjusted for the Securitization Offset Charge

9. Each Customer's bill will be adjusted for the Securitization Charge

10. Special Provisions

a) Choice of Suppliers

Customers shall choose an ESCO to act as their agent from a list of ESCOs licensed by the Authority.

- 1) Customers shall select only one ESCO at a time unless the Customer has multiple eligible accounts, in which case the Customer may select a different ESCO for each account.
- 2) Customers may switch ESCOs or return to LIPA's Bundled Service on the first day of any month, after providing LIPA with not less than ten (10) calendar days' notice before that date. Customers shall pay the applicable administrative charge, as stated in A.5.b) above.
- 3) Customers who return to LIPA's Bundled Service shall pay the same rates that are applicable to Customers that never participated in the LI Choice Program. Any notification requirements or charges for terminating a contract between a Customer and an ESCO remain the responsibility of the Customer.

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. Who is Eligible

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, 16-AMI and:
- (2) Receive metered or authorized unmetered electric service from the Authority.

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

- (1) Customers who receive service under Service Classification Nos. 11, ~~or 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 the Authority.
- (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 the Authority as Qualifying Facilities.
- (4) Customers who are in arrears for sixty or more days.

XII. Utility Debt Securitization Charge

A. General Provisions

1. Description

The LIPA Reform Act of 2013, Part B, established the creation of the Utility Debt Securitization Authority for the sole purpose of securing a portion of the Authority's debt. The LIPA Board of Trustees adopted a Restructuring Cost Financing Order on October 3, 2013 that calls for recovery of the Initial and Ongoing Financing Costs of the Utility Debt Securitization Authority from Customers through a Securitization Charge. The Securitization Charges imposed on Customers will be determined by, and owed to, the Utility Debt Securitization Authority, with LIPA serving the role as Servicing Agent on its behalf. Imposition of the Securitization Charges will continue until all Initial and Ongoing Financing Costs of the Utility Debt Securitization Authority have been recovered.

2. Determination of the Securitization Charge

The Utility Debt Securitization Authority will approve the appropriate level of the Securitization Charge, which will change from time to time at their discretion, which the Authority will bill and collect from Customers. The Securitization Charge shall be the same charge to all Customers, expressed in dollars per kWh of Delivery Service received, to the nearest \$0.000001 per kWh.

The Authority will prepare and retain on file a Statement of Securitization Charges. The Statement will be available at the Authority's business offices.

3. Application of the Securitization Charge

The Securitization Charge applies to all Customers receiving Delivery Service under all Service Classifications specified in Section VIII of the Tariff for Electric Service. Energy Service Companies ("ESCOs") participating in the Long Island Choice program (Section IX) and Green Marketers participating in the Green Choice Program (Section X) are not subject to the Securitization Charge.

The Securitization Charge will be applied to all kWhs of Delivery Service based on the date on which that usage was billed, regardless of the date on which the energy was delivered or consumed.

4. Collection of the Securitization Charge

Collection of the Securitization Charge will be subject to all terms and conditions of this Tariff on an equal basis with the Authority's own charges, including but not limited to:

- a) Service may be terminated in accordance with this Tariff for failure to pay all or a portion of the Securitization Charge.
- b) Late Payment Charges will apply to the Securitization Charge.

Long Island Power Authority
Statement of Energy Efficiency Cost Recovery Rate (EER)
 Applicable to Customers in All Service Classifications except S.C. 11 and 14
 as set forth in the Tariff for Electric Service

	<u>All Customers</u>	<u>Small Customers</u>	<u>Large Customers</u>
1. Budgeted Efficiency <u>and Renewables</u> Expenditures Approved for Recovery ¹	\$ <u>67,866,419</u>	\$43,604,500	\$41,360,200
2. Budgeted Renewable Expenses Approved for Recovery (net of Grant Income)[†]		\$8,427,900	\$8,247,300
3. Budgeted Base Rate Lost Revenue Approved for Recovery[†]		\$29,684,700	\$14,805,500
4. Over/Under Recovery from Prior Year		(\$16,732,300)	(\$15,592,000)
5. Total Amount to be Recovered		\$64,984,800	\$48,821,000
	<u>19,413,548,592</u>		
<u>26.</u> Estimated Energy Sales (in MWh) ¹		<u>10,404,239</u>	<u>9,412,178</u>
<u>37.</u> Energy Efficiency Cost Recovery Rate (\$/kWh)	<u>\$ 0.003496</u>	<u>\$0.006246</u>	<u>—\$0.005187</u>

Notes (suggested commentary):

1) Budgets and Forecast approved by Trustees on ~~November 26, 2013~~ December 17, 2012.

Applicability of the Cost Recovery Rate (per the Tariff for Electric Service):

~~Small Customers include Service Classification Nos. 1, 1-VMRP(L), 1-VMRP(S), 2, 2-VMRP, 5, 7, 7A, 10.~~
~~Large Customers include Service Classification Nos. 2-L, 2-H, 2L-VMRP, 2-MRP, 2-VRTP, 12, and 13 and 15.~~
 Recharge NY energy is not subject to the EER this~~Large Customer~~ rate.
 Service Classification No. 11 (Buy-Back Service) is not subject to this rate.
 Customers participating in the Long Island Choice Program are subject to this rate.
 Energy Service Companies (ESCOs) in Service Classification No. 14 are not subject to this rate.

Effective: ~~January 1, 2013~~

Long Island Power Authority**Statement of Securitization Charges**

Applicable to billings under all Service Classifications
As set forth in the Tariff for Electric Service

<u>Securitization Charge¹ (\$/kWh)</u> <u>(applicable to all rate classes)</u>	<u>\$0.010000</u>	<u>Securitization Offset Charge adjusted for</u>		
		<u>(a)</u>	<u>(b)</u>	<u>(c)</u>
	<u>Securitization</u> <u>Offset Charge</u> <u>(\$/kWh)</u>	<u>NY State</u> <u>Assessment</u> <u>(note 2)</u>	<u>Revenue</u> <u>PILOTs</u> <u>(note 3)</u>	<u>Composite</u> <u>Factor</u> <u>(note 4)</u>
<u>5th Ward Queens County, NYC</u>				
<u>Residential</u>	<u>(\$0.009437)</u>	<u>1.00%</u>	<u>4.92%</u>	<u>5.97%</u>
<u>Non Residential</u>	<u>(\$0.009668)</u>	<u>1.00%</u>	<u>2.41%</u>	<u>3.43%</u>
<u>Other Cities and Incorporated Villages³</u>				
<u>Residential</u>	<u>(\$0.009570)</u>	<u>1.00%</u>	<u>3.46%</u>	<u>4.49%</u>
<u>Non Residential</u>	<u>(\$0.009802)</u>	<u>1.00%</u>	<u>1.01%</u>	<u>2.02%</u>
<u>Unincorporated Municipalities³</u>				
<u>Residential</u>	<u>(\$0.009669)</u>	<u>1.00%</u>	<u>2.40%</u>	<u>3.42%</u>
<u>Non Residential</u>	<u>(\$0.009901)</u>	<u>1.00%</u>	<u>0.00%</u>	<u>1.00%</u>

Note 1) determined and provided by the Utility Debt Securitization Authority

Note 2: see Statement of New York State Assessment (NYSA) Factor

Note 3: see Statement of Increases in Rates and Charges to Recover PILOT Payments

Note 4: $c = (1+a)*(1+b) - 1$

Effective Date: applicable to bills rendered on or after [March 1, 2014]

Long Island Power Authority

Statement of New York State Assessment (NYSA) Factor

Applicable to billings under all Service Classifications as set forth in the Tariff for Electric Service.

New York State Assessment Factor for the calendar year 2010	1.00 <u>70</u> 0%
Amortization of the New York State Assessment for calendar year 2009	0.1869%
Over- or Under-Recovery from Prior Years	0.0000%
Total New York State Assessment Factor	1.1939%

The New York State Assessment Factor shown above will be applied to each Customer's actual or estimated charges, including all Adjustments to Rates and Charges, except for Increases to Recover PILOT Payments.

Effective: ~~January 1, 2010~~

Long Island Power Authority

STATEMENT OF INCREASES IN RATES AND CHARGES TO RECOVER PILOT PAYMENTS

Applicable to billings under all Service Classifications as set forth in the Tariff for Electric Service

Rates and charges for service under all Service Classifications and the CATV Pole Attachment Charge, as applicable, shall be increased by the following Effective Aggregate and Surcharge PILOT Percentages.

<u>Municipality</u>	<u>Aggregate PILOT</u>		<u>Effective Aggregate Percentage*</u>	
	Transportation	Commodity	Transportation	Commodity
5 th Ward Queens County, NYC.....				
Residential	5.57%	3.23%	5.8958%	3.3351%
	<u>4.82%</u>	<u>2.48%</u>	<u>5.0613%</u>	<u>2.5404%</u>
Non Residential	3.23%	3.23%	3.3351%	3.3351%
	<u>2.48%</u>	<u>2.48%</u>	<u>2.5404%</u>	<u>2.5404%</u>
All Other Cities and Incorporated Villages not listed below.....				
Residential	4.22%	1.88%	4.4032%	1.9134%
	<u>3.47%</u>	<u>1.13%</u>	<u>3.5921%</u>	<u>1.1404%</u>
Non Residential	1.88%	1.88%	1.9134%	1.9134%
	<u>1.13%</u>	<u>1.13%</u>	<u>1.1404%</u>	<u>1.1404%</u>
Unincorporated municipalities and the following incorporated Villages below....				
Residential	3.22%	.88%	3.3245%	.8853%
	<u>2.47%</u>	<u>0.13%</u>	<u>2.5299%</u>	<u>0.1277%</u>
Non Residential	.88%	.88%	.8853%	.8853%
	<u>0.13%</u>	<u>0.13%</u>	<u>0.1277%</u>	<u>0.1277%</u>
Baxter Estates				
Centre Island				
Dering Harbor				
Head-of-the-Harbor				
Mill Neck				
Nissequoque				
Plandome Manor				
Poquott				
Shoreham				

Effective Aggregate Percentage = Aggregate PILOT 100

100-Aggregate PILOT

~~—These percentages all reflect the effect of a 17% surcharge to recover the NYS Temporary Metropolitan Transportation Business Tax Pilot.~~

Effective: **January 1, 2005**