Proposal Concerning Modifications to LIPA’s Tariff for Electric Service

Requested Action:

The Long Island Power Authority (“the Authority”) staff proposes to modify the Tariff for Electric Service (“Tariff”) effective October 1, 2017 (i) to improve the affordability of its rates and charges for customers with low incomes consistent with similar improvements being made by other utilities in New York State pursuant to recent orders of the New York Public Service Commission (“PSC”), (ii) to provide a four-month grace period for re-enrollment in the low income discount program following expiration of a customer’s enrollment, and (iii) to update the eligibility requirements for low income customer discounts.

Background:

In January 2015, the PSC opened a proceeding to examine the low income programs offered by the major electric and gas utilities in New York State with the purpose of standardizing utility low income programs to reflect best practices. Following a period of study and analysis by the Department of Public Service and comments from utilities and the public, the PSC issued an order in May 2016 setting forth policy guidelines and order modifications to the low income programs of the State’s utilities. See Order Adopting Low Income Program Modifications and Directing Utility Filings, in Case 14-M-0565 (May 16, 2016).

The Order identified utility best practices for energy affordability and announced a policy that a New York household’s energy burden should constitute no more 6% of the household’s income. In response to the PSC Order, the regulated utilities have implemented increases to their low income customer discounts and have announced future plans to implement tiered discounts with the goal of providing discounts that lower the energy burden on low income customers towards 6% of household income.

Proposal:

The Authority’s Tariff currently includes reduced service charges for qualifying low income customers that equate to a discount of approximately $5 per month for low income customers without electric heating and $10 for low income customers with electric heating. Authority Staff now proposes to further reduce applicable service, energy, and meter charges for low income customers in order to increase the total effective discounts to $15 per month for low income customers without electric heating and $20 per month for low income customers with electric heating. These proposed changes will make the Authority’s low income discounts consistent with discounts offered by other New York utilities.

The Tariff currently requires customers receiving low income discounts to re-enroll each year and does not provide a grace period for re-enrollment. The Authority’s service provider, PSEG

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1 The low income discount for customers enrolled in the Authority’s voluntary residential time-of-use (“TOU”) rate will be approximately $13.50 based on a 30 day month due to the unique structure of the charges associated with this service classification. In coordination with this proposal, PSEG Long Island will conduct outreach to the existing low income customers currently on the voluntary TOU rate (approximately 20 customers) in order to offer advice regarding opportunities for these customers to realize additional bill savings by changing their energy usage or transferring to a different rate.
Long Island, has observed that the application process a customer must undertake each year to re-enroll often results in gaps in low income customers’ program participation. Staff proposes to allow four additional months from the enrollment expiration date for customers to complete re-enrollment in order to prevent disruptions in low income customers’ monthly receipt of discounts and to avoid unnecessary program enrollment changes by the service provider.

Eligibility for the Authority’s low income discount is determined by customers’ participation in various state and federal governmental aid programs identified in the Tariff. In the time since that tariff language was approved, certain of the governmental aid programs used to determine eligibility have been renamed. Staff proposes to update the Tariff to reflect the current names of such programs and to provide flexibility in the Tariff for the list of qualifying aid programs to be modified from time to time as programs change.

The PSC has directed the regulated utilities to enroll low income customers in the utilities’ balanced billing plans by default unless such customers choose to remain on standard billing. Authority staff proposes to make the same change to the Authority’s Tariff.

The PSC has also moved to prevent low income customers from purchasing energy from energy service companies (“ESCOs”) given overwhelming evidence that low income customers pay more to ESCOs for energy than such customers would pay to a utility.\(^2\) Accordingly, Authority staff now proposes to specify in the Tariff that the Authority may limit participation in Long Island Choice as needed to protect low income customers from predatory practices by ESCOs.\(^3\) This is consistent with New York State policy as set forth in the PSC’s recent orders on ESCO service to low income customers.\(^4\)

Separate from and in addition to these proposed Tariff changes, PSEG Long Island has undertaken an initiative to increase participation in the low income discount program through enhanced outreach efforts and intensified social media, print, email and other measures to promote program participation. PSEG Long Island estimates that this initiative will increase participation in the low income discount program from approximately 20,000 currently participating to 25,000 customers. This increase in participation is consistent with LIPA’s own priorities and the policies that are being promoted throughout the State by the PSC.

Lastly, consistent with the PSC’s Order and the plans of other New York utilities, Staff intends to introduce a proposal for tiered low income discounts in 2018.

**Financial Impacts:**

The financial impact of increasing the low income discounts is estimated to be approximately $2.3 million per year beginning in 2018.

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\(^3\) PSEG Long Island and the Authority currently have no customers enrolled in both the low income discount program and Long Island Choice.

\(^4\) See supra, Note 2.
Proposed Tariff Changes:

To improve the affordability of the Authority’s rates and charges for low income customers and to update eligibility and enrollment requirements.

Affected Tariff Leaves: 20, 156, 184, 185, 188, 188A, 195,196, 196A, 281

Summary of Proposed Changes:

In summary, the proposed changes to LIPA’s Tariff for Electric Service will improve the affordability of the Authority’s rates and charges for low income customers, introduce a four-month grace period for program renewal applications, and update eligibility requirements.
I. General Information (continued):

B. Abbreviations and Definitions (continued):  
Power (Electric) (continued):

3. Peak Power is the greatest demand which occurred in a specific period of time.

4. Reactive Power is that part of Apparent Power that is not useful, but is required by some types of electricity-consuming devices such as motors.

5. Real Power is the useful part of Apparent Power. It is measured by averaging the instantaneous power over a 15-minute period and expressed in kilowatts (KW).

Power Supply Charge: Provisions made in electric rates schedules for the automatic adjustment of rates due to changes in cost of fuel and purchased power.

Primary Residence: A service address at which a Customer-generator resides the majority of the time during the year, and which has been given by the Customer-generator and exists in the voter registration catalogues or used by the Customer-generator to determine his/her school district code number as he/she identifies the same on his/her New York State Income Tax Returns.

Power Factor: The Real Power (KW) divided by the Apparent Power (kVA) at any given point and time in an electrical circuit. It is expressed as a percentage. (See Power)

Private Property Agreement: An Agreement between the Authority and a property owner regarding the right to pass over, occupy, or use land for the placement and access of Authority facilities. The Agreement is kept on file at the Authority. (See Right-of-Way)

Prorate: To divide, distribute, or assess proportionately.

Public Highway: Any street, avenue, road, or way that is maintained for and used by the public. It is authorized and controlled by the legislative body of a village, town, city, county, or the State of New York.

Public Right-of-Way: The area within a Public Highway which may be used for the placement of and access to Authority facilities.

Pull Box: An underground connection between either the Authority's and the Customer's underground facilities, or the Authority's overhead, terminating at the base of a pole, and the Customer's underground facilities.

R

Reactive Power: (See Power)

Real Power: (See Power)

Residence: A permanent dwelling place.

Q

Qualifying Low-Income Customer: A customer who provides documentation of current enrollment in at least one of the following programs: Home Energy Assistance Program (HEAP); Medicaid; Supplemental Nutrition Assistance Program (SNAP); Supplemental Security Income (SSI); Temporary Assistance – Family Assistance (FA); Temporary Assistance-Safety Net Assistance (SNA); United States Veterans Administration - Veteran’s Pension or Veteran’s Surviving Spouse Pension.
V. Termination of Service (continued):

H. Reconnection of Service (continued):
Conditions for Reconnection or Provision of Nonresidential Service (continued):

e) If a Nonresidential Customer’s service is terminated because the electricity is used by the Customer with equipment which has a negative effect on or interferes with the operation of the facilities of the Authority, of its Customers, or of another public service company, the Authority does not have to reconnect service until the Customer:

(1) Stops using the equipment, or

(2) Installs equipment that will correct the negative effect or interferences.

f) If a Nonresidential Customer’s service is terminated for two (2) or more of the reasons in a., b., c., d., or e. above, the Authority will reconnect service when the Customer requests reconnection and meets all the conditions required. Service will be reconnected within twenty-four (24) hours after the last condition is met.

3. Conditions for “Reconnection Charge” for Residential & Nonresidential Customers

a) When the Authority reconnects a Customer’s electric service that has been terminated for nonpayment of bills, a Reconnection Charge will be billed to the Customer after the reconnection of service.

(1) A Nonresidential customer will be charged a Field Collection Charge in addition to the Reconnection Charge (see Section V.B.11.d on Leaf No. 124).

(2) Residential customers will not be charged a Field Collection Charge in addition to the Reconnection Charge (see Section V.B.11.d on Leaf No. 124).

b) A Reconnection Charge will also be billed when a customer requests termination of service and then reapplies for service at the same premises within a twelve (12) month period.

c) The Authority’s charges for reconnection of electric service are stated in Section IV.C.7.

d) A “Reconnection Charge” will not apply to low-income Customers receiving financial assistance from a local social services department.

(1) Low-income Customers are those Customers who, according to Authority records, have received the following forms of aid in the last twelve (12) months:

(a) Supplemental Security Income (SSI), or

(b) Home Energy Assistance Program (HEAP), or

(c) Aid to Families with Dependent Children (AFDC), or

(d) Home Relief (HR), or

(e) Medicaid, or

(f) Food stamps
VIII. SERVICE CLASSIFICATIONS: (continued):

A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):
   (Rate Codes: 180, 380, 480, 481, 580, 880)

3. Rates and Charges per Meter:
   
a) Schedule of Rates

   The rates for this service code are set forth below.

<table>
<thead>
<tr>
<th>Rate Code</th>
<th>June to September Inclusive</th>
<th>October to May Inclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>180</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Charge per Day</td>
<td>$.3600</td>
<td>$.3600</td>
</tr>
<tr>
<td>Reduced Service Charge per Day (see Special Provisions for eligibility)</td>
<td>$.17900090</td>
<td>$.17900090</td>
</tr>
<tr>
<td>Reduced Energy Charge: First 250 kWh (see Special Provisions for eligibility)</td>
<td>$.0500</td>
<td>$.0500</td>
</tr>
</tbody>
</table>

   Energy Charge per kWh per month

<table>
<thead>
<tr>
<th>June to September Inclusive</th>
<th>October to May Inclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 250 kWh @</td>
<td>$.0679</td>
</tr>
<tr>
<td>Over 250 kWh @</td>
<td>$.0867</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rate Code 380 (Water Heating)</th>
<th>June to September Inclusive</th>
<th>October to May Inclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Charge per Day</td>
<td>$.3600</td>
<td>$.3600</td>
</tr>
<tr>
<td>Reduced Service Charge per Day (see Special Provisions for eligibility)</td>
<td>$.17900090</td>
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<td>$.0500</td>
</tr>
</tbody>
</table>

   Energy Charge per kWh per month

<table>
<thead>
<tr>
<th>June to September Inclusive</th>
<th>October to May Inclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 250 kWh @</td>
<td>$.0679</td>
</tr>
<tr>
<td>Next 150 kWh @</td>
<td>$.0867</td>
</tr>
<tr>
<td>Next 400 kWh @</td>
<td>$.0545</td>
</tr>
<tr>
<td>Over 800 kWh @</td>
<td>$.0867</td>
</tr>
</tbody>
</table>
### VIII. SERVICE CLASSIFICATIONS: (continued):

#### A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):  
(Rate Codes: 180, 380, 480, 481, 580, 880)  
Rates and Charges per Meter (continued):

<table>
<thead>
<tr>
<th>Rate Code</th>
<th>Rate Code 580 (Space Heating)</th>
<th>Rate Code 880 (Space and Water Heating)</th>
<th>Rate Code 480, 481</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Service Charge per Day</td>
<td>Service Charge per Day</td>
<td>Service Charge per day</td>
</tr>
<tr>
<td></td>
<td>Inclusive</td>
<td>Inclusive</td>
<td>Inclusive</td>
</tr>
<tr>
<td>June to September</td>
<td>$.3600</td>
<td>$.3600</td>
<td>$.3200</td>
</tr>
<tr>
<td>October to May</td>
<td>$.3600</td>
<td>$.3600</td>
<td>$.3200</td>
</tr>
</tbody>
</table>

Reduced Service Charge per Day  
(see Special Provisions for eligibility)

<table>
<thead>
<tr>
<th>Reduced Energy Charge; First 250 kWh</th>
<th>Reduced Energy Charge; First 250 kWh</th>
<th>Reduced Energy Charge; First 250 kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inclusive</td>
<td>Inclusive</td>
<td>Inclusive</td>
</tr>
<tr>
<td>June to September</td>
<td>$.0300</td>
<td>$.0300</td>
</tr>
<tr>
<td>October to May</td>
<td>$.0300</td>
<td>$.0300</td>
</tr>
</tbody>
</table>

Energy Charge per kWh  
per month

| First 250 kWh @ | June to September | $.0679 | $.0679 |
| Next 150 kWh @  | October to May     | $.0679 | $.0679 |
| Over 400 kWh @   | $(.0867)           | $.0867 | $.0867 |

| First 250 kWh @ | Rate Code 880 (Space and Water Heating) | Rate Code 480, 481 |
| Next 150 kWh @  | Service Charge per Day                  | Service Charge per day |
| Next 400 kWh @  | Reduced Service Charge per Day          | Reduced Service Charge per day |
| Over 800 kWh @  | (see Special Provisions for eligibility) | (see Special Provisions for eligibility) |
|                | Energy Charge per kWh                   | Energy Charge per kWh |
|                | per month                               | per month |
|                | First 250 kWh @                         | 12:00 midnight to 7:00 a.m. (Standard Time) or |
|                | Next 150 kWh @                          | 10:00 p.m. to 10:00 a.m. (Standard Time) |
|                | Next 400 kWh @                          |                       |
|                | Over 800 kWh @                          |                       |
|                | $.0679                                  | $.0110               |
|                | $.0679                                  | $.0110               |
|                | $.0545                                  | $.0385               |
|                | $.0867                                  | $.0385               |
|                | $.0867                                  | $.0385               |
|                | $.0867                                  | $.0385               |

Effective: January 1, 2017 October 1, 2017  
Tariff For Electric Service
VIII. SERVICE CLASSIFICATIONS: (continued):

A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):
   (Rate Codes: 180, 380, 480, 481, 580, 880)
   Special Provisions (continued):

   (d) Is permanently connected to segregated circuits and metered separately. The Customer will provide a suitable and protected location, with easy access, for the Authority's metering equipment, and

   (e) Its power rating can be adequately served from existing distribution facilities including a control device rated at forty (40) amperes. If the distribution facilities, including the control device, need modification, the Customer or Applicant will pay in advance for that part of the modification needed only to supply the needs of this provision, and

   (f) The Authority has the right to inspect the installations and connected equipment at any time.

   d) 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.

   e) Service for Religious Purposes, Community Residences, or Veterans’ Organizations

   (1) Customers under this Service Classification who use electricity for religious purposes, for Community Residences, or Veterans’ Organizations as specified in A.1.a. above, may apply for a suitable non-residential service after a minimum term of one (1) year.

   (2) The transferring Customer shall submit a new Application to the Authority before the transfer, and the transfer will take place at the time of the Customer's next meter reading.

   f) Reduced Service Charge and Energy Charge for Qualifying Low Income Customers

   (1) Customers who provide documentation of enrollment in a qualifying program as listed in Section I.B above are deemed to be Qualifying Low Income Customers and are eligible for the Reduced Service Charge and the Reduced Energy Charge.

   (2) Customers under this Service Classification can qualify for the Reduced Service Charge by providing documentation of participation in one of the following programs in the last 12 months:

   (a) Home Energy Assistance Program, Medicaid, Food Stamps, Temporary Assistance for Needy Families or Safety Net Assistance administered by the Nassau or Suffolk County Department of Social Services or the New York City Department of Human Resources Administration; United States Social Security Administration Supplemental Security Income;

   (b) United States Veterans Administration Veteran’s Disability Assistance or Veteran’s Surviving Spouse Pension; or

   (c) New York State Child Health Plus Health Insurance Program
VIII. SERVICE CLASSIFICATIONS: (continued):

A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):
(Rate Codes: 180, 380, 480, 481, 580, 880)

Special Provisions (continued):

(2) Eligibility and enrollment must be renewed each year. To the extent that the Authority can automatically determine a Qualifying Low Income Customer’s continued eligibility, the customer will not need to reapply. Qualifying Low Income Customers whose continued eligibility cannot be automatically determined will be notified by the Authority. The Authority will notify enrolled Customers as their enrollments expire. The Authority will allow such customers four (4) months from the expiration of their enrollments (the “Grace Period”) to complete the renewal process. During the Grace Period, Qualifying Low Income Customers will continue to receive discounted charges. Qualifying Low Income Customers who do not complete the renewal process within the Grace Period and whose continued eligibility cannot be automatically determined by the Authority will become ineligible for discounted charges until the renewal process is successfully completed. To the extent that the Authority can automatically enroll eligible Customers that participate in certain qualifying programs, the Customer will not need to reapply each year.

(3) Upon enrollment (or, for customers already enrolled as of the effective date of this Leaf, upon renewal), each Qualifying Low Income Customer who is (a) eligible for a Balanced Billing Plan; (b) not already enrolled in a Balanced Billing Plan; and (c) not a participant in the Division of Social Service direct voucher payment program will be notified that the Authority will enroll the customer in a Balanced Billing Plan unless the customer prefers to remain on standard billing. After a reasonable opportunity to decline Balanced Billing has been provided, any such Qualifying Low Income Customer who does not decline will be enrolled in a Balanced Billing Plan.
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.

<table>
<thead>
<tr>
<th>Service and Meter Charges</th>
<th>June to September Inclusive</th>
<th>October to May Inclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Charge per day</td>
<td>$.3600</td>
<td>$.3600</td>
</tr>
<tr>
<td>Meter Charge per day</td>
<td>$.1000</td>
<td>$.1000</td>
</tr>
<tr>
<td>Reduced Service Charge</td>
<td>$.00904790</td>
<td>$.00904790</td>
</tr>
<tr>
<td>(see Special Provisions for eligibility)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduced Meter Charge</td>
<td>$.00910</td>
<td>$.00910</td>
</tr>
<tr>
<td>(see Special Provisions for eligibility)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rate Codes 188</th>
<th>Energy Charge per kWh</th>
<th>June to September Inclusive</th>
<th>October to May Inclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daylight Savings Time*</td>
<td>Period 1</td>
<td>$0.0435</td>
<td>$0.0283</td>
</tr>
<tr>
<td>8 p.m. to 10 a.m., and Saturday and Sunday</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daylight Savings Time*</td>
<td>Period 3</td>
<td>$0.2756</td>
<td>$0.0769</td>
</tr>
<tr>
<td>10 a.m. to 8 p.m. Weekdays</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


b) Adjustments to Rates and Charges
Each Customer’s bill will be adjusted for the Power Supply Charge, Increases in Rates and Charges to Recover PILOT Payments, the Shoreham Property Tax Settlement Rider, the Distributed Energy Resources Cost Recovery Rate, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

4. Minimum Charge

The Minimum Charge is the Service and Meter Charges, plus Adjustments to Rates and Charges.
VIII. SERVICE CLASSIFICATIONS (continued):

C. SERVICE CLASSIFICATION NO. 1-VMRP(S)
   Voluntary Small Residential Service With Multiple Rate Periods (continued):
   (Rate Code: 188)

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 for one (1) year from the start of service
   and renewed annually after that, unless service is terminated either by the Customer or the
   Authority.

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

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

   c) The Authority will not renew service within one (1) year of termination at the same
      location for the same customer.

7. Special Provisions

   a) Service for Religious Purposes, Community Residences, or Veterans’ Organizations

      Customers under this Service Classification who use electricity for religious purposes, for
      Community Residences, or Veterans’ Organizations as specified in C.1.a), may apply for
      a suitable non-residential service after a minimum term of one (1) year.

      (1) The transferring Customer shall submit a new Application to the Authority before the
          transfer, and

      (2) The transfer will take place at the time of the Customer’s next meter reading.

   b) Reduced Service Charge and Meter Charge for Qualifying Low Income Customers

      (1) Customers who provide documentation of enrollment in a qualifying program as listed
          in Section I.B above are deemed to be Qualifying Low Income Customers and are
          eligible for the Reduced Service Charge and the Reduced Meter Charge.

      Customers under this Service Classification can qualify for the Reduced Service
      Charge by providing documentation of participation in one of the following programs
      in the last 12 months:

      (a) Home Energy Assistance Program, Medicaid, Food Stamps, Temporary
          Assistance for Needy Families or Safety Net Assistance administered by the
          Nassau or Suffolk County Department of Social Services or the New York City
          Department of Human Resources Administration;

      (b) United States Social Security Administration Supplemental Security Income;

      United States Veterans Administration Veteran's Disability Assistance or Veteran's
      Surviving Spouse Pension; or
VIII. SERVICE CLASSIFICATIONS (continued):

C. SERVICE CLASSIFICATION NO. 1-VMRP(S)
Voluntary Small Residential Service With Multiple Rate Periods (continued):
(Rate Code: 188)
Special Provisions (continued):

(c) New York State Child Health Plus Health Insurance Program.

(4)(2) Eligibility and enrollment must be renewed each year. To the extent that the Authority can automatically determine a Qualifying Low Income Customer’s continued eligibility, the customer will not need to reapply. Qualifying Low Income Customers whose continued eligibility cannot be automatically determined will be notified by the Authority. The Authority will notify enrolled Customers as their enrollments expire. The Authority will allow such Customers four (4) months from the expiration of their enrollments (the "Grace Period") to complete the renewal process. During the Grace Period, Qualifying Low Income Customers will continue to receive discounted charges. Qualifying Low Income Customers who do not complete the renewal process within the Grace Period and whose continued eligibility cannot be automatically determined by the Authority will become ineligible for discounted charges until the renewal process is successfully completed. To the extent that the Authority can automatically enroll eligible Customers that participate in certain qualifying programs, the Customer will not need to reapply each year.

(3) Upon enrollment (or, for customers already enrolled as of the effective date of this Leaf, upon renewal), each Qualifying Low Income Customer who is (a) eligible for a Balanced Billing Plan; (b) not already enrolled in a Balanced Billing Plan; and (c) not a participant in the Division of Social Service direct voucher payment program will be notified that the Authority will enroll the customer in a Balanced Billing Plan unless the customer prefers to remain on standard billing. After a reasonable opportunity to decline Balanced Billing has been provided, any such Qualifying Low Income Customer who does not decline will be enrolled in a Balanced Billing Plan.
IX. Long Island Choice Program (continued):

A. General Provisions (continued):

1. 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, 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.

   (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.

   (5) The Authority may in its sole discretion limit participation in Long Island Choice by Qualifying Low Income Customers (defined in Section 1.B above) as needed for consistency with New York State policy as set forth in orders of the Public Service Commission.