

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

### **Requested Action:**

The Long Island Power Authority ("LIPA" or "Authority") staff ("Staff") proposes to modify LIPA's Tariff for Electric Service (the "Tariff"), effective October 1, 2025, to clarify provisions governing LIPA's External Time-Varying Rate Codes ("ETV Rate Codes").<sup>1</sup>

### **Background:**

On March 29, 2023, the LIPA Board of Trustees (the "Board") approved a Tariff modification to introduce a Time-of-Day ("TOD") rate that would become the standard (*i.e.*, default) rate for residential, non-heating customers beginning in 2024. This Tariff modification became effective on April 1, 2023. Eligible customers have been able to opt-in to TOD Rates 194 and 195 since November 2023. Beginning in January 2024, the Authority started assigning new customer accounts to Rate 194 by default. Since June 2024, the Authority has been migrating its existing customers from Rate 180, the former default rate code for residential customers, to Rate 194.

In addition to the TOD Rates, LIPA offers several other ETV Rate Codes, including:

- Rate Codes 190, 191, 192, and 193 (Optional Residential Pilot Time-of-Use Rates);
- Rate Codes 292, 294 (Optional Commercial Rates); and
- Rate Codes E1295, E2295, E3295, and E4295 (Optional Commercial EV Phase-In Rates).

### **Proposal:**

LIPA Staff proposes to modify the Tariff to clarify provisions governing ETV Rate Codes. This tariff modification specifies customer groups that are excluded from the ETV Rate Codes, such as those who do not have an Advanced Metering Infrastructure ("AMI") meter. This tariff amendment will also identify rules for customers that would like to switch between flat rates (*ie.*, 180, 580, 280, 281, 285) and ETV Rate Codes.

Staff also proposes to amend the Tariff to update the conditions under which a customer enrolled in a three-period ETV Rate Code may participate in the Community Distributed Generation ("CDG") program. Currently, Mass Market Customers enrolled in CDG projects that are not subject to Value Stack Crediting may voluntarily enroll (*or* opt in) to Rate Code 195, which is the code for the three-period TOD rate, only with the agreement of their CDG Host, in light of the substantial pricing discount offered during the overnight period.<sup>2</sup> The current Tariff further states that a CDG Host may unenroll Satellite customers from a non-Value Stack CDG project if a Satellite customer opts into Rate Code 195. Under this proposal, Staff seeks to expand a CDG Host's ability to unenroll Satellite customers from Non-Value Stack CDG projects if a Satellite enrolls in three-period ETV Rate Codes.<sup>3</sup>

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<sup>1</sup> ETV Rate Codes are time-varying rate codes that are processed using a third-party billing service provider, which are rate codes 190, 191, 192, 193, 194, 195, 292, 294, E1295, E2295, E3295 and E4295.

<sup>2</sup> Tariff Leaf 188B.

<sup>3</sup> Staff proposes to move this Tariff provision addressing ETV Rate Code eligibility for Non-Value Stack CDG Projects to Tariff Leaf 38K for ease of reference.

The proposed changes will clarify eligibility for ETV programs, which is determined based on various factors, including current policies, operational practices, and billing system capabilities. The proposed changes will help smooth the TOD migration process by providing our customers with a positive experience.

**Financial Impacts:** No material financial impacts for customers or the Authority.

**Affected Tariff Leaves:** 1, 16, 22, 187, 188B

**New Tariff Leaf Added:** 38K

**Summary of Proposed Changes:** The LIPA Staff proposes to modify LIPA's Tariff to clarify provisions governing LIPA's ETV Rate Codes.

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

**Demand Customer:** A Customer who is billed for Demand charges.

**Demand Meter:** The device that records the maximum amount of power used by the Customer over a 15-minute interval during a specific period, such as a month.

**Department:** The New York State Department of Public Service.

**Deposit:** A sum of money given as security for payment of service.

**Distribution Facilities:** Facilities used to distribute electric energy to consumers, including supply lines, distribution lines, service laterals, and accessory equipment.

**Distribution Line(s):** A system of poles, wires, ducts, conduits, and additional equipment used for the shared distribution of electricity to Customers.

**E**

**Easement:** (See *Right-of-Way*)

**Eligible Net Metering Technology/Technologies:** The list of eligible technologies is: Solar Electric Generating Equipment, Wind Electric Generating Equipment, Micro-Hydroelectric Generating Equipment, Micro-Combined Heat and Power (CHP) Generating Equipment, Fuel Cell Electric Generating Equipment, Farm Waste Electric Generating Equipment, Stand Alone Storage Equipment, Regenerative Braking, Vehicle-to-Grid, or other generating equipment identified as a Tier 1 technology as defined in Appendix A of the CES Order of the New York Public Service Commission issued August 1, 2016 in Cases 15-E-0302 and 16-E-0270. Regenerative braking, vehicle to grid, and additional Tier 1 technologies identified in Appendix A of the CES Order but not specifically defined in this tariff, and any other technologies not defined by PSL §66-p as renewable energy systems are required to take compensation based on the Value Stack.

**Energy:** Energy is electric power, used or supplied over time, and measured in kWh.

**Existing Overhead Areas:** Areas in which electric distribution facilities are constructed overhead, and there are no requirements to construct facilities underground.

**External Time-Varying Rate Codes (ETV Rate Codes):** Time-varying rate codes that are processed using a third-party billing service provider, which are Rate Codes 190, 191, 192, 193, 194, 195, 292, 294, E1295, E2295, E3295 and E4295.

**F**

**Farm Waste Electric Generating Equipment:** Equipment that generates electric energy from biogas produced by anaerobic digestion of agricultural wastes, such as livestock manure, farming wastes and food processing wastes with a rated capacity of not more than five thousand (5,000) kilowatts that is manufactured, installed and operated by Customer-generator in accordance with applicable government and industry standards, connected to the electric system and operated in conjunction with the Authority's transmission and distribution facilities, operated in compliance with the Authority's standards and requirements established therefor, fueled at a minimum of ninety (90) percent on an annual basis by biogas produced from the anaerobic digestion of agricultural waste such as livestock manure materials, crop residues, and food processing waste, and fueled by biogas generated by anaerobic digestion with at least fifty (50) percent by weight of its feed stock being livestock manure on an annual basis. As of October 17, 2019, all new projects with Farm Waste Electric Generating Equipment are not considered a renewable energy system as defined by PSL §66-p.

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

**Service Line or Lateral:** A system of conductors and equipment for delivering electricity from the Authority's distribution system to the wiring system of a building or address.

**Service Termination:** The point at which the service line or lateral ends and the Customer connects with the wiring system.

**Shared Meter:** Any Authority meter that measures electric service provided to a tenant's dwelling and to areas outside that dwelling, and the tenant pays for all usage recorded on the meter.

**Shared-Meter Customer:** Any tenant who rents a dwelling with a shared meter from the owner of the dwelling, and the tenant, rather than the owner, is the Authority's Customer of record.

**Short-Term or Temporary Customer - Non-Residential:** (See *Customer - Short-Term or Temporary Customer*)

**Short-Term or Temporary Customer - Residential:** (See *Customer - Short-Term or Temporary Customer*)

**Single-phase:** Producing, carrying, or powered by a single alternating voltage. (See *Alternating Voltage*)

**Solar Electric Generating Equipment:** A photovoltaic system with a rated capacity of equal to or less than twenty-five kilowatts (25) kW for residential Customers or with a rated capacity equal to or less than five thousand (5,000) kilowatts for Non-residential Customers which is manufactured, installed and operated in accordance with applicable government and industry standards, is connected to the Authority's electric system and operated in conjunction with the Authority's transmission and distribution facilities, and which is operated in compliance with the Authority's standards and requirements.

**State Agency:** Any board, authority, agency, department, commission, public corporation, body politic, or instrumentality of the State of New York.

**Subdivision:** (See *Residential Subdivision*)

**Submetering:** The redistribution of electric service to multiple meters not owned by the Authority.

**Substantially Interconnected:** Will be determined by reference to the PSEG Long Island Small Generator Interconnection Procedures. Systems in the SGIP Fast Track process will be considered substantially interconnected upon completion of Step 6 of the Fast Track process. Systems sized between fifty (50) kW and five thousand (5,000) kW will be considered substantially interconnected upon completion of Step 7 of the SGIP. (Systems larger than 5,000 kW will continue to be ineligible for net metering.)

**Summary Billing:** An optional billing program, offered at the discretion of the Authority, where multiple customer accounts are included on a single bill.

**Supply Line:** A part of a distribution line that is installed between an existing electric distribution system and an underground distribution line within an underground-designated area. (See *Underground-Designated Area*)

**Surcharge:** In connection with extension of distribution facilities, a monthly, bimonthly, or annual charge assessed Residential Customers over a period that does not exceed ten (10) years and which recovers the cost of the distribution facilities Customers are directly responsible for.

**I. General Information (continued):****C. General Terms and Conditions (continued):****26. Special Provisions Governing External Time-Varying Rate Codes (ETV Rate Codes)**

- a) The following groups of Customers are ineligible for Rates 194, 195, 292, 294, E1295, E2295, E3295, and E4295. At the discretion of the CEO or delegee, items (2) and (3) below will no longer be in effect once the Authority is able to complete all necessary billing system enhancements to allow for Summary Billing, Green Choice, Long Island Choice or Community Choice Aggregation Programs.
  - (1) Customers without a working or communicating AMI meter or who have opted out of receiving an AMI meter;
  - (2) Customers who are on Summary Billing, unless they choose to come off Summary Billing; and
  - (3) Customers who are on Green Choice, Long Island Choice or Community Choice Aggregation programs.
- b) Customers on any ETV Rate Code that: (1) Do not have a working or communicating AMI meter for more than 30 days; (2) Have opted out of receiving an AMI meter; (3) Participate in Summary Billing; (4) Participate in Green Choice, Long Island Choice or Community Choice Aggregation; and/or (5) Make a request to return to a flat rate (Rate 180, 580, 280, 281, 285):
  - (1) Will have their rate changed by the Authority to the flat rate (Rate 180, 580, 280, 281, 285) they qualify for; and
  - (2) Must wait one year from the date the Authority removes them from the rate before they will be permitted back on any ETV Rate Code, unless they do not meet clause a) above, or unless the customer was removed from the ETV Rate Code by the Authority due to an AMI meter issue. Once the AMI meter issue has been resolved, such Customers will be returned to their previous ETV Rate Code.
- c) Non-Value Stack Community Distributed Generation (CDG) Satellite customers may be unenrolled from the CDG program by their CDG Host if they enroll in a 3-period ETV Rate Code (Rate 195, 292, 294), at the CDG Host's discretion. The CDG Host will notify the Satellite customer of their CDG program ineligibility if they convert to a 3-period ETV Rate Code. The Authority will, at a CDG Host's request, remove the customer from the CDG program.

**VIII. SERVICE CLASSIFICATIONS: (continued):**

**A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):  
(Rate Codes: 180, 194, 195, 480, 481, 580)**

d) Special Provisions

a) ~~Non~~-Time-of-Day Rate Option

Beginning in January 2024, Residential customers will be assigned to Rate Code 194 at the time their account is established or, if previously established on Rate Code 180, according to a migration schedule determined by LIPA. All Residential customers will retain the option of receiving service under Rate Code 180 or another eligible Rate Code. Existing customers scheduled for transfer to Rate Code 194 will be reminded, prior to their scheduled transfer, of their option to remain on Rate Code 180 or another eligible Rate Code.

~~(1) Customers that do not have an AMI-equipped Smart Meter are not eligible for rate code 194 or 195.~~

~~(2) Customers participating in Long Island Choice, Green Choice, or Rate Code 580 (space heating) will remain on their previously applicable rate at the discretion of the CEO or delegatee until LIPA is able to complete all necessary billing system enhancements and rate alternatives.~~

~~(3) Customers enrolled in Rate Code 194 or 195 may transfer to another eligible rate code at any time.~~

~~(4) Customers that choose to transfer out of Rate Code 194 and 195 to a flat rate (such as Rate Code 180) are not eligible to return to Rate Code 194 or 195 for a period of 12 months from their date of transfer.~~

(1) A bill protection guarantee for up to twelve (12) billing months will be provided to only those customers who: (i) were billed under Rate Code 180 and who have not been on the following Rate Codes: 190, 191, 192, 193, 194, 195 at their current service address and who are migrated to or request enrollment in Rate Codes 194 or 195 through the last scheduled customer migration or (ii) are new residential accounts that do not qualify for Rate Code 580 and are assigned or request enrollment Rate Codes 194 or 195 through the last scheduled customer migration.

(a) At the end of the first 12 billing months following their transition to Rate Code 194 or 195, LIPA will calculate what the customer's bills would have been under Rate Code 180 for the same energy usage and, if lower, credit the difference on the next monthly bill.

(b) Customers that terminate their service or transfer to a Rate Code other than 194 or 195 before the first 12 months of billing have occurred will have their bill protection guarantee calculated up to that date of termination or transfer and receive the applicable credit in their next bill.

(c) Customers that transfer to another eligible Rate Code will see the rate change effective as of the date of their last issued bill.

b) Space Heating

The Space Heating Energy Charge in A.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):****A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):**  
**(Rate Codes: 180, 194, 195, 580)**  
**Special Provisions (continued):****e) Excess Generation Exchange Option**

Mass Market Customers enrolled in Rate Codes 194 or 195 that became eligible for Net Energy Metering on or after January 1, 2018 pursuant to 34F-1, Section I.C.15.h.2 may exchange excess energy between their separate rating period banks.

- (1) The eligible Net Energy Metering Customer's election to exchange excess generation does not alter or affect any amounts previously billed or the amount of excess generation credits used prior to the date the exchange is implemented.
- (2) The exchange will be made at the price ratios then in effect for the rate code they are receiving service under.
- (3) The election to exchange excess generation between periods, once made by the eligible Net Energy Metering Customer, is irrevocable.
- (4) The CEO or designee may establish and subsequently modify any and all requirements and procedures governing the exchange of excess generation that are consistent with the Tariff at their sole discretion.

**~~f) Participation in Community Distributed Generation (CDG)~~**

~~Mass Market Customers enrolled in Community Distributed Generation projects that are not subject to Value Stack Crediting (see Leaf No. 34O) may opt for the 3-period Rate Code 195 only with the agreement of their CDG Host.~~

~~(1) CDG hosts may unenroll satellite accounts that opt for the 3-period TOD Rate Code 195.~~

~~(2) CDG participants are eligible to participate in the default Rate Code 194 or opt out for Rate Code 180 or 580 without the agreement of their CDG host.~~