

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"¹), effective October 1, 2025, to identify how the Authority will apply rate price changes to customer bills on External Time-Varying Rate Codes ("ETV Rate Codes")².

Proposal:

Before Advanced Metering Infrastructure ("AMI") meters were installed, meter readings were obtained approximately once per billing cycle. There was no actual usage reading at the time that a rate price change occurred. LIPA's Tariff currently allows for prorated billing when rate price changes occur during a customer's billing cycle. The proration reflects a calculation of an average of the old and new rate prices, weighted by the number of days in the billing period before and after the effective date of the price change.³ The table below illustrates how a Power Supply Charge price change is calculated for a non-ETV Rate Code.

Bill Calculation - Assignment of kWh to a Power Supply Charge rate-change					
Customer Example Bill Cycle is From Jan 17th to Feb 15th					
kWh on Bill	750				
	Rate 180				
	Total	Jan	Feb		
Days	30	15	15		
Rate/Avg Rate	\$0.11	\$0.10	\$0.12		
kWh	750	375*	375*		
*Values are allocated by: (15 days/30 days) * 750					

Staff proposes to amend the Tariff to specify how a customer's bill will be calculated for ETV Rate Codes in the event a rate price change occurs during a customer's billing cycle. Bills will be calculated using hourly AMI data that precisely measures the actual kWh use amount in each rate-change period. The table below illustrates how a Power Supply Charge is calculated when the price changes during a billing cycle for an ETV Rate Code.

Bill Calculation - Assignment of kWh to a Power Supply Charge rate-change					
Customer Example Bill Cycle is From Jan 17th to Feb 15th					
kWh on Bill	750				
	TOD Rate 194				
	Total	Jan	Feb		
Days	30	15	15		
Rate/Avg Rate	0.109333	0.1	0.12		
kWh	750	400*	350*		
*Actual kWh Value Recorded in the Period					

¹ The Power Supply Rate changes each month on the 1st of every month per the Power Supply Statement.

² 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.

³ LIPA Tariff for Electric Service, Leaf 100.

Financial Impacts: This Tariff proposal will not have a financial impact on the Authority or customers.

Affected Tariff Leaf: 16, 100

Summary of Proposed Changes: Staff proposes to identify how the Authority will apply rate price changes to customer bills on ETV Rate Codes.

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.

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 Power Supply Charge, payments in lieu of revenue taxes, Visual Benefits Assessment, Undergrounding Charge, New York State Assessment or to recover other costs as approved by the Authority, including changes to the Delivery Service Adjustment, Distributed Energy Resources Cost Recovery Rate, Merchant Function Charge, and the Customer Benefit Contribution Charge and
- b) Any charges and credits approved by the Authority, including the Shoreham Property Tax Settlement Rider, Revenue Decoupling Mechanism and
- c) Discounts to promote economic development, and
- d) Charges to the Authority Green Choice Customers for environmental attributes, and
- e) NYSERDA Loan Installment Charges, and
- f) Securitization Charges.

3. Applying ~~Rate-Price~~ Changes to Customer's Bills

If a ~~rate-price~~ change becomes effective during a billing period, ~~for (and unless the Authority an External Time Varying ETV Rate Code determines otherwise), the Authority will multiply the actual usage during the period by the price (\$/kWh) in effect; and for other rate codes,~~ the Authority will average the old and new rate prices, weighted by the number of days in the billing period before and after the effective date of the rate price change.

4. Backbilling

- a) For Residential Customers, with the exception of a Seasonal Customer or a Short-Term or Temporary Residential Customer, if the Authority does not render such Residential Customer a monthly bill for electric service used by such customer during that monthly period (or, in the case of bi-monthly meter reads during that month and the prior month), within three (3) months from the end of such monthly billing period, then such Residential Customer shall not be charged for such services which were not billed to such Residential Customer unless the Authority's failure to bill sooner was: (i) not due to the Authority's neglect; or (ii) due to the culpable conduct of such Residential Customer.