LONG ISLAND POWER AUTHORITY

TARIFF FOR

ELECTRIC SERVICE

Applicable in
Fifth Ward, Borough of Queens, City of New York,
and
Cities, Towns and Villages in Nassau and Suffolk Counties,
State of New York

Effective Dates Are Shown on Individual Leaves

333 Earle Ovington Boulevard
Suite 403
Uniondale, New York

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Long Island Choice Operating Procedures (Operating Procedures)

PSEG Long Island's Community Distributed Generated (CDG) Net Crediting Manual

Small Generator Interconnection Procedures (SGIP)

Submetering Procedures (Requirements for Residential Submetering)

Uniform Business Practices for Distributed Energy Resource Suppliers in the LIPA Service Territory (UBP-DERS-LIPA)

Uniform Business Practices for Electric Energy Service Companies in the LIPA Service Territory (UBP-LI-ESCO)

I. General Information

A. The Authority's Service Area

Cities	County
Glen Cove	Nassau
Long Beach	Nassau
New York (Fifth Ward of the Borough of Queens)	Queens

Towns	
Babylon	Suffolk
Brookhaven	Suffolk
East Hampton	Suffolk
Hempstead	Nassau
Huntington	Suffolk
Islip	Suffolk
North Hempstead	Nassau
Oyster Bay	Nassau
Riverhead	Suffolk
Shelter Island	Suffolk
Smithtown	Suffolk
Southampton	Suffolk
Southold	Suffolk

Incorporated Villages	Town	County
Amityville	Babylon	Suffolk
Asharoken	Huntington	Suffolk
Atlantic Beach	Hempstead	Nassau
Babylon	Babylon	Suffolk
Baxter Estates	North Hempstead	Nassau
Bayville	Oyster Bay	Nassau
Bellerose	Hempstead	Nassau
Belle Terre	Brookhaven	Suffolk
Bellport	Brookhaven	Suffolk
Brightwaters	Islip	Suffolk
Brookville	Oyster Bay	Nassau
Cedarhurst	Hempstead	Nassau
Centre Island	Oyster Bay	Nassau
Cove Neck	Oyster Bay	Nassau
Dering Harbor	Shelter Island	Suffolk
East Hills	North Hempstead	Nassau
East Hills	Oyster Bay	Nassau
East Hampton	East Hampton	Suffolk
East Rockaway	Hempstead	Nassau
East Williston	North Hempstead	Nassau
Farmingdale	Oyster Bay	Nassau
Floral Park	Hempstead	Nassau

I. General Information (continued):

A. The Authority's Service Area (continued):

Floral Park	North Hempstead	Nassau
Flower Hill	North Hempstead	Nassau
Garden City	Hempstead	Nassau
Great Neck	North Hempstead	Nassau
Great Neck Estates	North Hempstead	Nassau
Great Neck Plaza	North Hempstead	Nassau
Head of the Harbor	Smithtown	Suffolk
Hempstead	Hempstead	Nassau
Hewlett Bay Park	Hempstead	Nassau
Hewlett Harbor	Hempstead	Nassau
Hewlett Neck	Hempstead	Nassau
Huntington Bay	Huntington	Suffolk
Island Park	Hempstead	Nassau
Islandia	Islip	Suffolk
Kensington	North Hempstead	Nassau
Kings Point	North Hempstead	Nassau
Lake Grove	Brookhaven	Suffolk
Lake Success	North Hempstead	Nassau
Lattingtown	Oyster Bay	Nassau
Laurel Hollow	Oyster Bay	Nassau
Lawrence	Hempstead	Nassau
Lindenhurst	Babylon	Suffolk
Lloyd Harbor	Huntington	Suffolk
Lynbrook	Hempstead	Nassau
Malverne	Hempstead	Nassau
Manorhaven	North Hempstead	Nassau
Massapequa Park	Oyster Bay	Nassau
Matinecock	Oyster Bay	Nassau
Mill Neck	Oyster Bay	Nassau
Mineola	Hempstead	Nassau
Mineola	North Hempstead	Nassau
Munsey Park	North Hempstead	Nassau
Muttontown	Oyster Bay	Nassau
New Hyde Park	Hempstead	Nassau
New Hyde Park	North Hempstead	Nassau
Nissequogue	Smithtown	Suffolk
North Haven	Southampton	Suffolk
North Hills	North Hempstead	Nassau
Northport	Huntington	Suffolk

I. General Information (continued):

A. The Authority's Service Area (continued):

Ocean Beach	Islip	Suffolk
Old Brookville	Oyster Bay	Nassau
Old Field	Brookhaven	Suffolk
Old Westbury	North Hempstead	Nassau
Old Westbury	Oyster Bay	Nassau
Oyster Bay Cove	Oyster Bay	Nassau
Patchogue	Brookhaven	Suffolk
Plandome	North Hempstead	Nassau
Plandome Heights	North Hempstead	Nassau
Plandome Manor	North Hempstead	Nassau
Poquott	Brookhaven	Suffolk
Port Jefferson	Brookhaven	Suffolk
Port Washington North	North Hempstead	Nassau
Quogue	Southampton	Suffolk
Roslyn	North Hempstead	Nassau
Roslyn Estates	North Hempstead	Nassau
Roslyn Harbor	North Hempstead	Nassau
Roslyn Harbor	Oyster Bay	Nassau
Russell Gardens	North Hempstead	Nassau
Saddle Rock	North Hempstead	Nassau
Sag Harbor	Easthampton	Suffolk
Sag Harbor	Southampton	Suffolk
Saltaire	Islip	Suffolk
Sands Point	North Hempstead	Nassau
Sea Cliff	Oyster Bay	Nassau
Shoreham	Brookhaven	Suffolk
Southampton	Southampton	Suffolk
South Floral Park	Hempstead	Nassau
Stewart Manor	Hempstead	Nassau
The Branch	Smithtown	Suffolk
Thomaston	North Hempstead	Nassau
Upper Brookville	Oyster Bay	Nassau
Valley Stream	Hempstead	Nassau
Westbury	North Hempstead	Nassau
Westhampton Beach	Southampton	Suffolk
Westhampton Dunes	Southampton	Suffolk
Williston Park	North Hempstead	Nassau
Woodsburgh	Hempstead	Nassau

I. General Information (continued):

B. Abbreviations and Definitions:

ABBREVIATIONS:

AMI = Advanced Metering Infrastructure

Amp = Ampere

DRC = Direct Retail Customer

ESCO = Energy Service Company

IA = Interconnection Agreement

kVA = Kilovoltampere = 1,000 voltamperes

KVAR = Kilovar(s) = 1,000 reactive voltamperes

kW = Kilowatt(s) = 1,000 watts

kWh = Kilowatt-hour = 1,000 watt-hours

NEC = National Electrical Code

NYCRR = New York (State) Codes, Rules and Regulations

NYISO = New York Independent System Operator

NYPA = New York Power Authority

NYPP = New York Power Pool

PILOT = Payment In Lieu Of Taxes

V = Volt

VA = Voltampere

VAR(s) = Voltampere Reactive

VSR = Visually Significant Resource Area

W = Watt

W-hr = Watt-hour

I. General Information (continued):

B. Abbreviations and Definitions (continued):

DEFINITIONS:

A

Access Controller: A Customer who controls access to the metering equipment of another Customer.

Actual Reading: A reading of a meter obtained either by a Customer and submitted to the Authority, or by an Authority employee. Actual readings can also be made remotely from a transmission device attached to the meter.

Adjusted Electric Revenues: Revenues remaining after the removal of payments in lieu of revenue taxes and the cost of fuel from total revenues.

Advanced Metering Infrastructure (AMI): A system that provides two-way communications with electric meters.

Aggregate Allowance: The allowance granted by the Authority to each Applicant and Customer on an extension line, within the first ten (10) years of that line's use, times the number of Applicants and/or Customers.

Allowance: That part of the distribution lines, including service lines and accessory equipment that the Authority will provide and install without direct cost to the Customer.

Alternating Current: Current that increases to a positive peak value and then decreases to a negative peak value sixty (60) times every second.

Alternating Voltage: Voltage that increases to a positive peak value and then decreases to a negative peak value sixty (60) times every second.

Ampere = Amp: The unit of measure of electric current flowing through a conductor, similar to water flowing past a given point in a pipe for a specific period of time.

Anniversary Date: The date of the monthly billing cycle occurring closest to the annual date the Customer began service under a specific rate classification.

Apparent Power: (See *Power*)

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 and/or its subsidiary under the terms of the Operations 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 Sections 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 the 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):

C

Capacity: The load-carrying ability of the transmission and distribution systems during a specified period of time.

Catch-up Bill: First bill based on an actual reading following one or more estimated or Customer read bills.

Character of Service: Refers to the type of service supplied, including the voltage at which it is supplied, the type of current, its frequency, etc.

Circuit: A conductor or a system of conductors through which an electric current flows or is meant to flow.

Coincidental Demand: (See Demand)

Cold Weather Period: The period between November 1 and April 15, inclusive.

Commercial Demand NEM Customer: A Commercial Customer that is demand metered and has submitted a complete application as per Step 3 of the Authority's Small Generator Interconnection Procedures on or after May 1, 2018 and has an Eligible Net Metering Technologies (*see Section 1.B.*) project at the same location that is electrically connected behind the meter; and

(a) has a rated AC capacity of 750 kW or less and

(b) has an estimated annual output of 110% or less of that Customer's annual usage in kWh.

Commercial Demand NEM Project: An Eligible Net Metering Technologies (*see Section 1.B.*) project owned by a Commercial Demand NEM Customer(s).

Complete System Replacement: If both the solar panels and the inverter are replaced (even if not at the same time), the electric generating system will be identified as new.

Conduit: A tube or duct for enclosing electric wires or cable.

Construction Loan Agreement: An agreement between the Authority and a Non-Residing Customer for payment in advance for a line extension on private property with the potential to service multiple Customers. As other Customers come on line, the original Customer will receive a prorated rebate.

Controlled-Access Highway: A public roadway with entrance and exit ramps.

Core Customer: (See *Customer - Core Customer*)

Core Service: Service provided to a Core Customer.

Cost or Expense: The cost of all materials, equipment, labor, and other definite charges plus a reasonable charge for other costs of a general nature (purchasing, engineering, etc.) involved in a project.

I. General Information (continued):

B. Abbreviations and Definitions (continued):

Customer or Consumer: A person or any other entity who is approved for and supplied electric service by the Authority. Each Customer will have a unique account unless specified otherwise. (See *Applicant*. The term "Customer" may be used interchangeably with "Applicant").

1. Core Customer
   A Customer who has no alternatives to Authority-provided electric service or who, when given an alternative, chooses to accept Authority-provided electric service.

2. Existing Residential Customer
   An Applicant who meets the requirements for residential service outlined in Section I.C.11 and moves from one service location to another within the Authority's Service Area and for whom there is a recent payment history.

3. Residential Farm Customer
   A Customer whose land is used in agricultural production as defined in subdivision four (4) of Section three hundred one (301) of the agriculture and markets law with a farmhouse, together with other buildings or equipment used by its occupant to operate the farm, when connected to the same meter as the residential dwelling.

4. Full-Requirements Customer
   A Customer whose electric power requirements are all supplied by the Authority.

5. New Nonresidential Customer
   An Applicant who was not the last Customer at the serviced address, regardless of whether the Applicant was a former Customer or is a current Customer at a different address, and who does not meet the requirements for residential service outlined in Section 1.C.11.

6. New Residential Customer
   An Applicant who meets the requirements for residential service outlined in Section 1.C.11 and who is new to the Authority's Service Area.

7. Non-Core Customer
   A Customer who has an alternative(s) to Authority-provided electric service and chooses to use the alternative provider.

8. Nonresidential Customer
   A Customer engaged in commerce or the business of government that does not meet the requirements for residential service outlined in Section 1.C.11.

9. Non-Residing Customer
   A Customer engaged in the development or building of residences or permanent dwellings that will not maintain residence at the service address.

10. Residing Customer
    A Customer who uses the serviced address as their residence.

11. Residential Customer
    A Customer who meets the requirements for residential service outlined in Section 1.C.11.

I. General Information (continued):

B. Abbreviations and Definitions (continued):
Customer or Consumer (continued):

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

13. Short-Term or Temporary Customer - Nonresidential
A Nonresidential Customer who requires temporary service for no longer than two (2) years.

14. Short-Term or Temporary Customer - Residential
A Residential Customer who requires temporary service for no longer than one (1) year.

Customer-generator: A Residential or Residential Farm or Nonresidential 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, Wind Electric Generating Equipment, Micro-Hydroelectric Generating Equipment, Micro-Combined Heat and Power (CHP) Generating Equipment, Fuel Cell Electric Generating Equipment, and Farm Waste 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 Nonresidential 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.

Delivery Service Revenues: Delivery Service Revenues include revenues based upon the rates and charges specified in Section VIII of the Tariff, the Merchant Function Charge and the Customer Benefit Contribution Charge and exclude adjustments to rates and charges such as: the Power Supply Charge, Distributed Energy Resources Cost Recovery Rate, New York State Assessment Factor, Shoreham Property Tax Settlement Factor, Visual Benefits Assessment Rate, Charges to Recovery PILOT Payments, the Revenue Decoupling Mechanism, and the Undergrounding Charge.

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):

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 the 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):

Federal Holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day

Fuel Cell Electric Generating Equipment: A solid oxide, molten carbonate, proton exchange membrane or phosphoric acid fuel cell, with a combined rated capacity of not more than ten (10) kilowatts for a residential customer or with a rated capacity of not more than five thousand (5,000) kilowatts for a Nonresidential Customer, that is manufactured, installed and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in compliance with the Authority's standards and requirements established therefor. This definition, including the capacity limits specified herein, does not apply to fuel cells participating in the Fuel Cell Feed-in Tariff. As of October 17, 2019, all new projects with Fuel Cell Generating Equipment which utilize a fossil fuel resource in the process of generation are not considered a renewable energy system as defined by PSL §66-p

Fuel and Purchased Power Cost Adjustment Clause: See definition for Power Supply Charge.

Full-Requirements Customer: A Customer whose electric power requirements are all supplied by the Authority. (See *Customer – Full Requirements Customer*)

G

Generation Project: A specific project that is eligible to participate in the Commercial Solar, Fuel Cell, or Solar Communities Feed-In Tariffs under Service Classification No. 11 – Buyback Service.

I. General Information (continued):

B. Abbreviations and Definitions (continued):

H: Heat-Related Service: A service provided under a residential space-heating rate classification or service needed to start or operate the primary heating system. It also includes a safe, supplemental electrical heating device that is needed by the Customer because the third-party who controls the primary heating system does not supply enough heat.

Hybrid Electric Generating System or Hybrid System: An electric generating system consisting exclusively of wind and solar electric generators which are metered and billed as single unit, Hybrid electric generating systems owned and/or operated by Residential, or Residential Farm, or Nonresidential or Farm Service Customers may be eligible for net metering. Hybrid systems may not include micro- Combined Heat and Power (CHP) or micro-Fuel Cell electric generation.

I: Incremental Capacity Expansion: Capacity addition to electric generating system after initial project install, that does not replace the solar panels and the inverter of the prior generating system.

J: Jurisdiction: The right and power to interpret and apply the law.

K: Kilovar(s) = KVAR 1,000 reactive voltamperes (See *Reactive Power*)
A unit of measure of that part of Apparent Power that is not useful, but is required by some types of electricity-consuming devices such as motors.

Kilovoltampere = kVA = 1,000 voltamperes (See *Voltamperes*)

Kilowatt(s) = kW = 1,000 watts
A unit of measure of that part of Apparent Power that is useful (Real Power). (See *Power*)

Kilowatt-hour = kWh = 1,000 watt-hours
A unit of electric energy equal to one (1) kilowatt of power supplied to or taken from an electricity-consuming device steadily for one (1) hour.

L: Large Offsite Customer(s): Commercial customer(s) with demand billing that host a Remote Net Metering or Community Net Metering project or participate as a Satellite Account.

Large Offsite Project(s): Projects using an Eligible Net Metering Technologies owned by a hosting Large Offsite Customer(s).

Large Onsite Customer(s): Commercial customer(s) with an Eligible Net Metering Technologies project (*see Section 1.B.*) at the same location and electrically connected, behind the Commercial customer's meter, with
(a) an AC capacity over 750 kW, or
(b) an estimated annual output more than 110% of that customers annual usage in kWh, or
(c) a commercial customer who is billed demand and choose to be considered a Large Onsite Customer, or
(d) a commercial customer who is billed demand but does not qualify to be considered a Commercial Demand NEM Customer.

Large Onsite Project(s): Projects using an Eligible Net Metering Technologies owned by a Large-Onsite Customer(s).

Late Payment: Payment made more than twenty (20) calendar days after the date payment was due. The due date is the earlier of the two (2) dates: the personal delivery date or three (3) calendar days after the mailing of the bill. The Customer must pay the bill by the "Pay by" date on the bill to avoid making a late payment.

Letter of Credit: A letter issued by a bank authorizing the bearer to draw a stated amount of money from the issuing bank, its branches, or other associated banks or agencies.

Levelized Payment Plan: (See *Balanced or Budget Billing Plan*)

Liability: A legal obligation.

Line: A system of overhead poles, wires, and accessory equipment or underground ducts, conduits, and cables used for the distribution of electricity to Customers.

Line Extension: The addition of poles, wires, ducts, conduits, appurtenant facilities and additional equipment to a distribution line used to expand the shared distribution of electricity to Customers.

I. General Information (continued):

B. Abbreviations and Definitions (continued):

Load: (See *Demand*)

Load Factor: The ratio of a Customer(s) average demand to peak demand during a specified period.

Location: Property with stated boundaries which is owned or occupied by a single legal entity.

M

Manager: PSEG Long Island LLC, the entity engaged by the Authority to operate, maintain, manage and act as agent for the Authority's system pursuant to the terms and conditions of the Operations Services Agreement. Nothing herein shall be read to change or modify Manager's duties and obligations or create any liability on the part of Manager beyond that set forth in the Operations Services Agreement.

Mass Market Customer(s): Residential or Small Commercial Service Classification that are not billed for demand.

Mass Market Project(s): Projects using an Eligible Net Metering Technologies owned by a Mass Market Customer(s).

Micro-Combined Heat and Power Generating Equipment: Any Residential customer with an integrated cogenerating building heating and electrical power generation system, operating on any fuel and any applicable engine, fuel cell, or other technology, with a rated capacity of at least one (1) kilowatt and not more than ten (10) kilowatts electric and any thermal output that all full load has a design total fuel use efficiency in the production of heat and electricity of not less than eighty percent (80%), and annually produces at least two thousand (2,000) kilowatt-hours of useful energy in the form of electricity that may work in combination with supplemental, or parallel conventional heating system, that is manufactured, installed and operated in accordance with applicable government and industry standards operated in conjunction with the Authority's transmission and distribution facilities. As of October 17, 2019, all new projects with Micro-Combined Heat and Power Generating Equipment are not considered a renewable energy system as defined by PSL §66-p.

Micro-Hydroelectric Generating Equipment: A Hydroelectric system, with a rated capacity of not more than twenty-five (25 kW) for a residential customer or with a rated capacity of not more than five thousand (5,000) kilowatts for a Nonresidential Customer, that is manufactured, installed and operated 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.

Month: A Month in this document is defined as a 30-day period, and monthly rates for billing periods other than a Month are prorated.

Multi-phase: Producing, carrying, or powered by multiple alternating voltages, each of which reaches its highest level at different time intervals. (See *Alternating Voltage*)

Multiple-Occupancy or Multiple Dwelling Building: A building designed to contain three (3) or more individual residential units for permanent occupancy. Each unit should contain kitchen, bath, and sleeping areas. In some instances, the Tariff may differentiate between buildings that contain three or more units and those that contain four or more units.

N

Net Energy Metering: The use of a net energy meter to measure, during the billing period applicable to a Customer-generator, the net amount of electricity supplied by the Authority to the Customer-generator and/or the net amount of electricity provided by the Customer-generator to the Authority.

I. General Information (continued):

B. Abbreviations and Definitions (continued):

Net Financing Cost: The weighted average cost of debt for the Authority, including all costs of issuance of the debt.

New York Independent System Operator (NYISO): A not-for-profit corporation established to provide and maintain open access transmission to the power system in New York State, provide for centralized commitment and dispatch of the generation system in New York State, and provide other services.

New York Power Authority (NYPA): a New York State Authority responsible for the generation, transmission and sale of electricity to wholesale customers pursuant to the Public Authorities Law.

Noncoincidental Demand: (See Demand)

Non-Core Customer: (See *Customer - Non-Core Customer*)

Non-Core Service: Service to Non-Core Customers.

Nonresidential Applicant: (See *Customer - Nonresidential Customer*)

Non-Residing Applicant: (See *Customer - Non-Residing Customer*)

O

Ohm: The unit of measurement of electrical resistance.

Operations Services Agreement: A contractual agreement (as may be amended, modified, or supplemented from time to time) between PSEG Long Island and the Authority, under which PSEG Long Island operates, maintains, and manages the Authority's transmission and distribution system.

P

Payment Date: The Authority considers a payment to be made on the date the Authority or one of its authorized agents receives the payment.

Payments In Lieu of Taxes (PILOTs): Payments that the Authority makes to other governmental authorities in replacement of the taxes which were previously collected on utility revenues, assets or operations.

Performance Payment: An advance payment made by a Non-Residing Applicant for service construction for multiple occupancy buildings in an underground-designated area. The payment guarantees the Applicant's performance for five (5) years.

Peak Power or Peak Demand: See *Power*.

Power (Electric): Amount of electrical energy produced or consumed, measured over a specific time period in kilowatts (kW).

1. Apparent Power includes both Real and Reactive Power and is the product of Volts and Amperes in a circuit. Apparent power is expressed in kilovoltamperes (kVA).

2. Instantaneous Power is power at an instant in time.

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 catalogs or used by the Customer-generator to determine their school district code number as they identify the same on their 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*)

PSEG Long Island Holiday: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day After Thanksgiving, Christmas Eve and Christmas Day.

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 Holiday: As defined in the General Construction Law Section 24, Public Holidays; half-holidays.

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.

Q

Qualifying Low Income Customer: A customer who provides documentation of enrollment in at least one of the following programs: Low Income Home Energy Assistance Program (LIHEAP); Medicaid; Supplemental Nutrition Assistance Program (SNAP); Supplemental Security Income (SSI); Temporary Assistance for Needy Family Assistance (FA); Safety Net Assistance – Public Assistance; United States Veterans Disability Pension or Veterans Surviving Spouse Pension or Child Health Plus. In addition, a customer may also qualify for the low income discount if they can provide documentation of proof of enrollment in the Federal Lifeline Program or any public assistance program that would qualify under the Federal Lifeline Program.

R

Reactive Power: (See *Power*)

Real Power: (See *Power*)

Residence: A permanent dwelling place.

I. General Information (continued):

B. Abbreviations and Definitions (continued):

Residential Subdivision: A piece of land divided into five (5) or more lots for the construction of five (5) or more residential buildings, or the land on which new multiple-occupancy residential buildings are to be built. The development of the subdivision has or needs approval by the governmental authorities having jurisdiction (See *Jurisdiction*) over land use.

Residing Applicant: (See *Customer - Residing Customer*)

Responsible Non-Residing Applicant: A builder/owner/developer of residences who needs and is responsible for payment for that section of a line extension that exceeds the total allowances for all the units the builder plans to construct.

Responsible Residential or Nonresidential Applicants, Customers, or Users for a Line Extension: Residential or Nonresidential Applicants or Customers who need and are responsible for payment for that section of a line extension which exceeds the total allowances.

Retail Enterprise: A Customer that is chiefly engaged in selling or providing products and/or services to users of those products and/or services.

Revenue Requirements: The resources required to fund the operation of the Authority.

Right-of-Way: An agreement which gives the Authority the right to pass over, occupy, or use another's land for the placement and access of Authority facilities. The document is filed with the appropriate county. (See *Private Property Agreement*)

Riser Pole: A pole which supports the connecting wires between an electric underground and overhead system.

S

Seasonal Customer: (See *Customer - Seasonal Customer*)

Service Charge: Generally, a daily charge which is meant to recover the fixed costs associated with providing a Customer access to the electrical system and monitoring and billing the Customer's use of electricity.

Service Classification: A group of similarly situated Customers who are subject to the same rate structures and provisions for service.

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 - Nonresidential: (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) kW for Nonresidential 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.

Sub/Transmission Service Level: Customers taking service at or above 23,000 volts will be assigned to Sub/Transmission rates.

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):

B. Abbreviations and Definitions (continued):

Surcharge Agreement Plan: A written agreement between a Residing Applicant and the Authority. Under the agreement, the Applicant agrees to pay the surcharges which are the Applicant's share of the Cost, with interest, for Line Extensions and Service Laterals that exceed the allowances for such facilities (See *Line Extension*), including installations, materials and, if the Applicant chose, private easements (See *Right-of-Way*) obtained by the Authority.

Surety Bond: A guarantee by a person or entity to assume any responsibilities, debts, or obligations, up to a certain amount, if another person or entity defaults on those obligations.

T

Tampered Equipment: Service-related equipment that has been altered in an unauthorized way to:

1. Reduce the accuracy or eliminate the measurement of the Authority's service.
2. Reconnect after the Authority has physically disconnected service.

Tariff/The Tariff: A document approved by the Authority's Trustees that sets forth the rates, charges, rules, regulations, and procedures of the Authority pertaining to the provision of electric service.

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

Temporary Service: Electric service supplied to structures, other than permanent or substantial buildings, for service usually of short duration or during the construction of permanent buildings or project, or for short time service to carnivals, exhibits, decorative lighting, etc.

U

Underground-Designated Area: An area containing a Residential Subdivision (See *Residential Subdivision*), or any area where the governmental authority having jurisdiction (See *Jurisdiction*) over the area requires that the distribution facilities be underground.

V

Visually Significant Resource Area = VSR
A geographic area designated by State or Federal legislation or jurisdictional agencies because of its special or unique scenic quality.

Volt = V
A unit of electrical pressure that, when applied to a conductor, is similar to water pressure in a pipe.

I. General Information (continued):

B. Abbreviations and Definitions (continued):

Voltampere = VA
The unit of measure of Apparent Power. (See *Power*) Multiplying the volts by the amperes in an electric circuit will result in the voltamperes.

W

Watt = W
A unit of measurement of Real Electrical Power. (See *Power*)

Watt-hour = W-hr
The total amount of energy used in an electricity consuming device. Energy is measured as power used over time. For example, a device using one (1) watt-hour of energy is using the equivalent of one (1) watt of power over a period of one (1) hour.

Watt-hour Meter: The recording device that measures energy in watt-hours.

Wind Electric Generating Equipment: A wind generator or generators with the combined rated capacity of not more than twenty-five (25) kW for a Residential Customer-generator, and not more than five hundred (500) kW for a Residential Farm Customer, and not more than five thousand (5,000) kW for a Nonresidential Customer which is manufactured, installed and operated in accordance with applicable government and industry standards, is connected to the 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.

I. General Information (continued):

C. General Terms and Conditions:

1. Legal Authority

   The Tariff is adopted under the power vested in the Authority by the Long Island Power Authority Act. See Public Authorities Law, Title 1-A.

2. Implementation and Administration of the Tariff

   a) The duties and responsibilities of the Authority may, at the Authority's discretion, be carried out by the Authority, the Authority's subsidiary, or the Manager.

   b) In administering the provisions of the Tariff, the Authority shall give effect to the rights, protections, and obligations of Customers contained in Article 2 and Sections 117 and 118 of the Public Service Law, and Section 131-s of the Social Services Law.

3. Availability of the Tariff

   A copy of the Tariff shall be maintained and made available for public inspection at all business offices of the Authority that are open to the public.

4. Altering, Changing, and Eliminating the Provisions of the Tariff

   Any of the provisions of the Tariff may be modified, at any time, upon approval of the Authority's Trustees.

5. Employee Identification

   a) Every employee who is authorized by the Authority to enter Customers' premises to read meters, test meters, collect electric bills, or for any other Authority business, will be issued an Identification Card.

   b) The Identification Card will bear the employee's photograph and the name of the Authority or its Manager.

   c) Customers should not admit anyone claiming to represent the Authority who cannot show the Identification Card.

I. General Information (continued):

C. General Terms and Conditions (continued):

6. Access to Customers' Premises

a) Right-of-Access

The Authority shall have the right-of-access to all its property installed on Customers' premises:

(1) In order to read and test meters, collect electric bills, and conduct other Authority business including the inspection and examination of equipment.

(2) At all reasonable times:

(a) Between 8 a.m. and 6 p.m. on a business day, or

(b) Between 8 a.m. and 9 p.m. on any day for the inspection and examination of equipment when there is evidence of meter tampering or theft of service, or

(c) Other reasonable times requested by a Customer, or

(d) At any time in an emergency situation which threatens the soundness of the Authority's distribution system or the health and safety of a person or the surrounding area.

b) Legal Actions to Preserve the Right-of-Access

(1) The Authority reserves the right to use any lawful means against any person or entity which attempts to prevent the Authority from access to its equipment.

(2) An authorized employee may not:

(a) Enter locked premises without the permission of the person lawfully in control of the premises, or

(b) Use force of any kind to perform an inspection or examination, except

(1) When an emergency may threaten the soundness of the Authority's system or the health or safety of a person or the surrounding area, or

(2) When authorized by a court order.

I. General Information (continued):

C. General Terms and Conditions (continued):
Access to Customers' Premises (continued)

c) Penalty for Denial of Access

Any Customer may be billed a one hundred dollar ($100) penalty for each offense, if the Customer, directly or indirectly, tries to prevent an authorized employee:

(1) From entering the building or location, at any time, or

(2) From making an inspection or examination at any reasonable time.

d) Employee Identification

An authorized employee of the Authority seeking access will display an Identification Card. (See I.C.5. above)

7. Obligations of the Authority

a) Uninterrupted Service

(1) The Authority shall try, at all times, to provide regular and uninterrupted service; however,

(2) The Authority will not be liable:

(a) For interruption of service to make permanent or temporary repairs, changes, or improvements in any part of its system, or

(b) For interrupted, irregular, defective, or failed service if the causes are beyond the Authority's control or are due to ordinary negligence of its employees or agents, or

(c) For service that the Authority interrupts to prevent or relieve an emergency which threatens the system or the health or safety of a person or a surrounding area, or

(d) For service that the Authority interrupts under a governmental order or directive.

I. General Information (continued):

C. General Terms and Conditions (continued):
Obligations of the Authority (continued)

(3) The Authority will give advance notice, if possible, to those whose service will be interrupted for any of the above reasons.

(4) Customers who need to minimize the length of an interruption should provide their own emergency or Back-Up power.

b) Authority Equipment and Use of Service

The Authority shall not be liable for any injury, casualty, or damage that results, in any way:

(1) From the supply or use of electricity, or

(2) From the presence or operation of the Authority's structures, equipment, wires, appliances, or devices on the Customer's premises, unless

(3) The injuries or damages are the result of the Authority's negligence.

c) Customer's Equipment

The Authority does not guarantee, in any way, the suitability, safety, or other characteristics of any structures, equipment, wires, appliances, or devices, that are owned, installed, or maintained by the Customer or leased by the Customer from third parties.

d) Unauthorized Use of Facilities and Space

(1) The Authority shall not be liable for any injury, casualty, or damage that results from the cancellation of permits to use the facilities and space of others.

(2) The Authority has the right to require the Customer:

(a) To obtain Right-of-Ways at the Customer's expense, and

(b) To comply with the Authority's Specifications and Requirements for Electric Installations.

(3) If the proper Right-of-Ways are not obtained, the Authority will substitute other facilities, either overhead or underground, to serve the Customer most efficiently, at least expense to the Authority, and within a reasonable time.

I. General Information (continued):

C. General Terms and Conditions (continued):
Obligations of the Authority (continued)

e) Emergency Requirements of NYISO

(1) The Authority shall not be held liable for measures taken to comply with the instructions given by the NYISO in a major emergency, unless

(2) The Authority carries out the instructions in a negligent manner.

f) Improper Turn-Offs

(1) The Authority will be liable and will reimburse consumers served directly or indirectly for actual losses for food and medicine spoilage because of lack of refrigeration, if:

(a) The Authority negligently fails to restore service within twelve (12) hours to a Customer whose service it has disconnected intentionally, and

(b) The claims for losses are filed with the Authority within ninety (90) days of the incident.

(2) Each residential Customer may claim up to one hundred fifty dollars ($150) for spoilage of food or medicine for any one incident.

g) Continuation of Service

If the Authority reasonably cannot install or maintain the facilities needed to provide the electric service required under any service agreement, that agreement will end.

h) Character of Service

(1) To the extent possible, the electric service furnished in any locality shall have the same characteristics as that regularly supplied by the Authority or available in that locality and shall be delivered in the manner regularly used to supply electric service.

(2) The Authority has the right to change the character of the service supplied to any Customer.

I. General Information (continued):

C. General Terms and Conditions (continued):

[CANCELLED]

I. General Information (continued):

C. General Terms and Conditions (continued):

8. Customer's Responsibility

a) To Notify the Authority of an Interruption of Service

The Customer shall notify the Authority as soon as reasonably possible of any interruption in the supply of electric current.

b) For Authority Property on Customer's Premises

The Customer shall be responsible for and protect the meter and other property of the Authority on the Customer's premises, and compensate the Authority for any damage to, or loss, or destruction of that property.

9. Ownership of Equipment On Customer's Premises

a) The Authority will own, maintain, and replace, if necessary, all the equipment it has installed to supply electricity, at its own expense, in or on the Customer's premises, unless otherwise agreed to in writing.

b) Equipment on the Customer's premises includes all meters, poles, wires, transformers, and other appliances needed to supply electricity.

10. Costs of Special Services on Customer's Premises

If the Authority performs work on the Customer's premises for which there is a charge to the Customer, the charge will be at the Cost to the Authority.

11. Requirements For Residential Service

a) Residential service applies to:

(1) An individual, separately-metered, single-family dwelling (including a houseboat),

(2) An individual, separately-metered flat or apartment, or other building where each dwelling is separately metered under an account in each occupant's name, or

(3) A two-family or three-family dwelling on a single meter when the customer of record resides at that dwelling.

(4) Portions of a two- or three-family dwelling used in common by all of the families (halls, stairs, cellars, oil burner, etc.), when connected to the meter of any apartment; or

I. General Information (continued):

C. General Terms and Conditions (continued):
Requirements For Residential Service (continued)

(5) At the Customer's option, a building used mainly for religious purposes, including a school, even if nonreligious subjects are taught at the school, and

(a) The electric service is only used in connection with the religious purposes, and

(b) If new or not now classified as religious accounts, Applicants shall identify themselves and offer credentials for a religious classification, or

(6) Accessory buildings or usage on the same premises as a residential dwelling, apartment on a residential rate, or building used for religious purposes that has elected to be on a residential rate, or

(7) A Residential Farm Customer, or

(8) At the Customer's option, a supportive/supervised living facility (community residence), as defined in Subdivisions 28, 28a or 28b of Section 1.03 of the New York Consolidated Laws, Mental Hygiene Law:

(a) If the facility is operated by a not-for-profit corporation, and

(b) There are living accommodations for no more than fourteen (14) residents if supervisory staff is on the premises at all times, or

(9) Part of the dwelling or building in 11.a.1-7 above when used as a business or for professional purposes other than farming, and

(a) Usage does not exceed one hundred (100) kilowatt-hours per month for any two (2) consecutive months, and

(b) The premises is primarily a residence, and

(c) The business or professional use does not change the character or appearance of the premises, and

(d) The business or professional use, by an occupant of the premises, is limited to:

(1) A usual home occupation, including the sale of articles or products produced on the premises, but not including the operation of a store for the sale of other articles or products, or

(2) The renting of space in an accessory building for the storage of private automobiles, but not done as a business.

(10) At the Customer’s option, a post or hall owned or leased by a not-for-profit corporation that is a Veterans’ Organization.

I. General Information (continued):

C. General Terms and Conditions (continued):
Requirements For Residential Service (continued):

b) Residential Service does not apply to:

(1) Stores, offices, shops or for any nonresidential use except as noted in 11.*a*.8 above, and

(2) Rooming or boarding houses operated as a business (except as noted in 11.*a*.8 above), hotels, clubs, fraternity houses, and similar uses, and

(3) Halls, stairs, basements, elevators, etc. in multiple-family dwellings, except in two and three-family dwellings as noted in 11.a.3 above, and

(4) Buildings which use machines with wide fluctuations in demand, such as X-ray machines and welders, and

(5) A two-family or three-family dwelling, where each dwelling is separately metered but the meters are under the same account name. In this case:

(a) One dwelling will be charged residential rates, and the other dwelling(s) will be charged commercial rates, but

(b) The account Customer (owner/landlord) may avoid commercial rates on the additional dwelling(s) by transferring these accounts to the tenants' names, with or without the Customer's mailing address.

(6) Multi-family dwellings (four or more dwellings) on a single meter.

(7) Temporary Service in a nonresidential name.

c) Transfer to Nonresidential Service

(1) If a Customer does not comply with conditions in 11.a. above, the Authority will, without notice, transfer the Customer to a more suitable Service Classification.

(2) That Customer shall complete a written application to obtain residential service provided that requirements for residential service, as outlined in 11. above, are met

I. General Information (continued):

C. General Terms and Conditions (continued):

12. Requirements For Nonresidential Service

Nonresidential service is available to:

a) Customers engaged in a business, religious, or governmental activity, except as noted in 11.b. above.

b) Rooming or boarding houses operated as businesses, hotels, clubs, fraternity houses, and similar uses except as noted in 11.b. above.

c) Halls, stairs, basements, elevators, and other common areas in multiple-family dwellings, except in two- and three-family dwellings as noted in 11.c. above.

d) Accessory areas that are not supplied through the same meter as the dwelling/apartment to which they are accessory.

e) Buildings which use machines with wide fluctuations in demand or large instantaneous demand, such as X-ray machines and welders.

f) A two-family or three-family dwelling, where each dwelling is separately metered but the meters are under the same account name. In this case:

(1) One dwelling will be charged residential rates, and the other dwelling(s) will be charged commercial rates, but

(2) The account Customer (owner/landlord) may avoid commercial rates on the additional dwelling(s) by transferring these accounts to the tenants' names, with or without the Customer's mailing address

g) Multi-family dwellings (four or more dwellings) on a single meter.

h) Temporary service in a nonresidential name.

13. Combined Service

When some part, but not all, of a building or premises which could be served through a single meter, is entitled to residential service under C.11. above, the Customer has the following options for service:

a) The Customer may arrange the wiring so that service is supplied, metered, and billed separately for the residential part at the residential rate and the other part at a nonresidential rate, or

b) The entire premises may be served at the suitable Nonresidential service rate.

I. General Information (continued):

C. General Terms and Conditions (continued):

14. Customer-Owned Electric Generating Equipment

a) Standby Service

Except where specifically provided for (See C.7.a)(4)), back-up and supplemental service will be provided under Service Classification No. 12- Standby Service.

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 No. 12.

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.

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 Small Generator Interconnection Procedures.

I. General Information (continued):

C. General Terms and Conditions (continued):

15. Net Metering Generators

a) Residential Net Metering Requirements

(1) A Residential Solar or Wind Customer-generator shall be net metered only if the rated capacity of the Solar or Wind Electric Generating Equipment is (1) equal to or less than twenty-five (25) kilowatts and (2) equal to or less than 110% of the customer's last twelve (12) months of load or customer provided load letter. If the rated capacity of the Solar or Wind Electric Generating Equipment owned and/or operated by the residential Customer-generator is (1) greater than twenty-five (25) kilowatts, or (2) greater than 110% of the customer's last twelve (12) months of load or customer provided load letter, net metering shall not apply and Customer-generator may be served under Service Classification No. 11-Buyback Service.

(2) A Residential Farm Customer shall be net metered only if the rated capacity of the Solar Electric Generating Equipment is equal to or less than one hundred (100) kilowatts or the Wind Electric Generating Equipment is equal to or less than five hundred (500) kilowatts. If the rated capacity of the Solar Electric Generating Equipment is greater than one hundred (100) kilowatts or the Wind Electric Generating Equipment is greater than five hundred (500) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification No. 11-Buyback Service.

(3) A Residential Farm Waste Customer-generator shall be net metered only if the rated capacity of the Farm Waste Generating Equipment is equal to or less than five thousand (5,000) kilowatts. If the rated capacity of the Farm Waste Electric Generating Equipment owned and/or operated by the Customer–generator is greater than five thousand (5,000) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification No. 11-Buyback Service.

(4) A Residential Micro-Combined-Heat-and-Power (Micro-CHP) Customer-generator shall be net metered only if the rated capacity of the Micro-CHP generating equipment is at least one (1) kilowatt and less than or equal to ten (10) kilowatts. If the rated capacity of the Micro-CHP generating equipment owned and/or operated by the residential Customer-generator is greater than ten (10) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification No. 11-Buyback Service.

(5) A Residential Fuel Cell Customer generator shall be net metered only if the rated capacity of the Fuel Cell Electric Generating Equipment is less than or equal to ten (10) kilowatts. If the rated capacity of the Fuel Cell Generating Equipment owned and/or operated by the residential Customer-generator is greater than ten (10) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification No. 11-Buyback Service.

I. General Information (continued):

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

(6) A Residential Micro-Hydroelectric Customer-generator shall be net metered only if the rated capacity of the Micro-Hydroelectric generating equipment is equal to or less than twenty-five (25) kilowatts. If the rated capacity of the Micro-Hydroelectric Generating Equipment owned and/or operated by the residential Customer-generator is greater than twenty-five (25) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification No. 11-Buyback Service.

(7) A Residential Customer-generator that combines Solar Electric, Wind Electric, or Micro-Hydroelectric Generating Equipment in a hybrid system shall be net metered only if:
(a) The rated capacity of the combined system is equal to or less than twenty-five (25) kilowatts, or five hundred (500) kilowatts if a Residential Farm Customer, and

(b) The solar portion of the installation meets the eligibility for Residential Solar Electric Generating Equipment and

(c) The wind portion of the installation meets the eligibility for Residential Customers or a Residential Farm Customer for the Wind Electric Generating Equipment and

(d) The micro-hydroelectric portion of the installation meets the eligibility for Residential Micro-Hydroelectric Generating Equipment.

b) Nonresidential Net Metering Requirements

(1) A Nonresidential Solar, or Wind, or Farm Waste, or Fuel Cell, or Micro-Hydroelectric Electric Customer-generator shall be net metered if the rated capacity of the Electric Generating Equipment is equal to or less than five thousand (5,000) kilowatts. If the rated capacity of the Solar or Wind or Farm Waste, or Fuel Cell, or Micro-Hydroelectric Electric Generating Equipment is greater than the limits specified herein, net metering shall not apply and the Customer-generator may be served under Service Classification No. 11-Buyback Service.

(2) Existing generators sized greater than two thousand (2,000) kilowatts and up to five thousand (5,000) kilowatts that meet the eligibility criteria above, and are not currently compensated under the Value Stack tariff shall be permitted to opt-in to participate in the VDER tariff and receive Value Stack Compensation.

(3) To qualify for net metering, the Customer Generator must comply with the requirements of the generating size limits by complying with the following criteria:

(a) Each project up to the respective generating size limit must be separately metered and separately interconnected to the utility grid;

(b) Each project must be located on a separate site which can be accomplished by a project having a separate deed or a unique Section-Block-Lot (SBL), a separate lease, and a separate metes and bounds description recorded via either a deed or separate memorandum of lease uniquely identifying each project; and,

(c) Each project must operate independently of other units.

I. General Information (continued):

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

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 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 SGIP, 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.

(5) Mass Market Projects subject to NEM compensation will be permitted to pair on-site energy storage with the eligible generating equipment under PSL Sections 66-j and 66-l and remain eligible under Phase One NEM. However, customers that wish to pair energy storage with a Large Onsite Project or Large Offsite Project will be required to receive compensation based on the VDER Value Stack tariff.

(6) For CDG project and On-Site Mass Market customer interconnection requests made on or after January 1, 2019, a distributed generation provider must submit proof to the Manager prior to the in-service date that its project has been registered with Department of Public Service Staff in accordance with the Uniform Business Practices for Distributed Energy Resource Suppliers in the LIPA Service Territory.

I. General Information (continued):

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

d) Interconnection and Transformer Charges

(1) If the Mass Market Customer's Eligible Net Metering Technology Electric Generating Equipment has a rated capacity of equal to or less than twenty-five (25) kilowatts the Customer-generator shall not be required to pay the Authority any Interconnection charges.

(2) If the Mass Market Customer's Eligible Net Metering Technology Electric Generating Equipment has a rated capacity of more than twenty-five (25) kilowatts, the Customer-generator shall be responsible for payment to the Authority of one hundred percent (100%) of the interconnection expenses.

(3) The Large Onsite Customers, Large Offsite Customers, and Commercial Demand NEM Customers shall be responsible for payment to the Authority of one hundred percent (100%) of the interconnection expenses of such Eligible Net Metering Technology Electric Generating Equipment.

(4) If the Authority determines that it is necessary to install a dedicated transformer or transformers or other equipment to protect the safety and adequacy of the electric service provided to other Customers:

(a) The Mass Market Customer installing Solar Generating Equipment, Micro-Combined-Heat-and-Power Generating Equipment, Micro-Hydroelectric Generating Equipment, or Fuel Cell Electric Generating Equipment with a rated capacity of equal to or less than twenty-five (25) kilowatts, shall pay to the Authority the cost of installing the transformer(s) and other equipment, up to a maximum of three hundred and fifty dollars ($350).

(b) The Residential Customer installing Farm Waste Electric Generating Equipment shall pay to the Authority the cost of installing the transformer(s) and other equipment, up to a maximum of five thousand dollars ($5,000) per farm operation.

(c) The Nonresidential Customer-generator installing Solar Generating Equipment with a rated capacity of equal to or less than twenty-five (25) kilowatts shall pay to the Authority the cost of installing the transformer(s) or other equipment, up to a maximum of three hundred and fifty dollars ($350).

I. General Information (continued):

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

(5) If the Authority determines a Mass Market Customer-generator installing Wind Electric Generating equipment that requires installation of a dedicated transformer(s) or other equipment to protect the safety and the adequacy of electric service provided to other Customers, the Customer-generator shall pay to the Authority the lesser of the: (1) Actual costs, or (2) the charges identified under (a) or (b) below. (See Paragraph(s) C.15.c)(4) and C.15.d)(6) for other applicable safety requirements and charges):

(a) Seven hundred and fifty dollars ($750) if the Customer-generator owns and/or operates wind electric generating equipment with a rated capacity equal to or less than 25 kW, or

(b) Five thousand dollars ($5,000) if the Customer-generator owns and/or operates wind electric generating equipment with a rated capacity greater than 25 kW but not more than 500 kW.

(6) If the Authority determines a Mass Market Customer-generator installing a Hybrid System that requires installation of a dedicated transformer(s) or other equipment to protect the safety and adequacy of the electric service provided to other Customers, the Customer-generator shall pay to the Authority either seven hundred and fifty dollars ($750) if the Wind Electric Generating Equipment of the Hybrid System has a rated capacity equal or less than 25 kW or five thousand dollars ($5,000) if the wind generator of the Hybrid System has a rated capacity greater than 25 kW but not more than 500 kW.

e) Maintenance and Replacement Charges for Interconnection Equipment
The Authority will maintain and replace interconnection equipment installed by the Authority for Solar and/or Wind electric generators, without direct cost to the Customer.

f) Metering

(1) The Authority shall install an AMI meter capable of recording hourly interval metering data.

(2) A common, single metering system shall be used to measure at the point of interconnection with the Authority's system as a single quantity the net energy associated with Solar, Micro-Hydroelectric, and Wind Customer-generators including cases where they constitute a hybrid system.

(3) In the event that a Customer-generator chooses to install Wind, Micro-Hydroelectric or Solar electric generation in conjunction with Farm Waste, Micro-Combined-Heat-And-Power or Fuel Cell electric generation, the Customer must choose between:

(a) separately measuring the output of the Farm Waste, Micro-Combined Heat and Power or Fuel Cell electric generation for sale to the Authority under Service Classification No. 11-Buyback Service so that the Solar, Micro-Hydroelectric or Wind electric generation can be billed under the applicable net metering provisions, or

(b) Measuring at the point of interconnection with the Authority's system as a single quantity, the net energy associated with the combined system as if the entire system were derived from Farm Waste, Micro-Combined Heat and Power or Fuel Cell electric generation.

I. General Information (continued):

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

g) Termination of the Interconnection Agreement

The Interconnection Agreement between the Authority and Customer-generator may be terminated as follows:

(1) The Customer-generator may terminate the Agreement at any time, by giving the Authority sixty (60) days written notice;

(2) If the Customer-generator fails to seek final acceptance by the Authority within twelve (12) months after completion of construction, then the Authority may terminate the Agreement on thirty (30) days prior written notice;

(3) Either Party may, by giving the other Party at least sixty (60) days prior written notice, terminate this Agreement in the event that the other Party is in default of any of the terms and conditions of the Interconnection Agreement. The terminating Party shall specify in the notice the basis of the termination and shall provide a reasonable opportunity to correct the default;

(4) The Authority may, by giving the Customer-generator at least sixty (60) days prior written notice, terminate this agreement for cause. The Customer-generator's non-compliance with the Authority's Small Generator Interconnection Procedures or non-compliance with the Interconnection Agreement shall constitute a good cause;

(5) Unless the Interconnection Agreement is terminated pursuant to items (1) through (4) above, the net energy metering service will be provided for a term of ten (10) years from the date of installation of service and thereafter will be automatically renewed for annual periods unless the Authority provides thirty (30) days prior written notice of termination before the end of the term.

h) Net Billing Procedures for Eligible Customer-generators

(1) Projects with Eligible Net Metering Technologies are subject to the billing procedures described in items (a) through (h) below when (1) Mass Market Projects have become Substantially Interconnected before January 1, 2018 or (2) Large Onsite Projects have submitted complete applications as per Step 3 of the Authority's SGIP before May 1, 2018 and are in service before January 1, 2020 and whose rated capacity of the Electric Generating Equipment is equal to or less than two thousand (2,000) kilowatts:

(a) In the event that the amount of electricity supplied by the Authority during the billing period exceeds the amount of electricity provided to the Authority by the Customer-generator, the Authority shall charge the Customer-generator for the net (excess) electricity it supplied to the Customer-generator at the same rate per kilowatt-hour applicable: (a) to service provided to other Customers in the same service class who do not generate electricity on site, and (b) to the month the energy was generated.

I. General Information (continued):

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

(b) For eligible Mass Market Projects and Large Onsite Projects with Solar or Wind or Farm Waste or Micro-Hydroelectric electric generators whose amount of electricity provided 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.

(c) For eligible Mass Market Customers and Large Onsite Customers with Micro-Combined-Heat-and-Power Electric Generating Equipment or for Fuel Cell Electric Generating Equipment whose amount of electricity provided 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.

(d) For Large Onsite Customers the monthly billing demand is determined by the maximum measured kilowatt demand actually supplied to the Customer-generator during the billing period.

(e) 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. Peak, Intermediate off-peak, and super off-peak periods will be treated separately when calculating and applying any credits.

(f) For Customer-generators who switch to a rate code with multiple rating periods from a rate code with one rating period, all banked credits will be applied to the off-peak period bank.

(g) For Customer-generators who switch to a rate code with one period from a rate code with multiple rating periods, all banked credits will be applied to a single bank.

(h) At the end of the first year that service for eligible Mass Market Projects and Large On-site Projects with Solar, or Wind, or Farm Waste or Micro-Hydroelectric generators, 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 as per the Statement of Market Energy Prices.

(i) For eligible Mass Market Projects and Large Onsite Projects 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 net (excess) energy generated by the Customer-generator times the corresponding avoided energy prices as per the Statement of Market Energy Prices.

(j) The avoided cost rates to be used to issue payment to Mass Market Projects and Large Onsite Projects 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.

I. General Information (continued):

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

(2) Projects with eligible Net Metering Technologies are subject to the billing procedures described in items (a) through (g) below when (1) Mass Market Projects become Substantially Interconnected on or after January 1, 2018 or (2) Commercial Demand NEM Projects or (3) Large Onsite Projects have submitted a complete application as per Step 3 of the Authority's Small Generator Interconnection Procedures on or after May 1, 2018:

(a) Net Importing by Mass Market Customers and Commercial Demand NEM Customers: In the event that the amount of electricity supplied to a Mass Market Customer or Commercial Demand NEM Customer by the Authority during the billing period exceeds the amount of electricity such Customer provided to the Authority from an eligible Mass Market Project or Commercial Demand NEM Project, the Authority will charge that Customer for the net (excess) electricity supplied. Such net (excess) electricity will be billed at the same rate per kilowatt-hour and same rate per kilowatt applicable to (i) service provided to other Customers in the same service class who do not generate electricity on site, and (ii) the month the energy was generated.

(b) Net Importing by Large Onsite Customers: In the event that the amount of electricity supplied to a Large Onsite Customer by the Authority during any hour exceeds the amount of electricity such Customer provided to the Authority from an eligible Large Onsite Project, the Authority shall charge the Large Onsite Customer for the net (excess) energy supplied. Such net (excess) energy will be billed at the same rate per kilowatt-hour and same rate per kilowatt applicable to (i) service provided to other Customers in the same service class who do not generate electricity on site, and (ii) the month the energy was generated.

(c) For Large Onsite Customers and Commercial Demand NEM Customers, the monthly billing demand is determined by the maximum measured kilowatt demand actually supplied to the Customer during the billing period.

(d) Net Exporting by Mass Market Customers and Commercial Demand NEM Customers: In the event that the amount of electricity provided to the Authority by an eligible Mass Market Project or Commercial Demand NEM Project during the billing period exceeds the amount of electricity provided by the Authority to that Customer, the Authority will apply a credit to the Customer's next bill for service. The credit will be applied at the same rate per kilowatt-hour applicable to service provided to other Mass Market Customers and Commercial Demand NEM Customers in the same service class who do not generate electricity on site. For Mass Market Projects and Commercial Demand NEM Projects served under a rate code with multiple rate periods, peak and off-peak periods will be treated separately when calculating and applying any credits.

(e) Net Exporting by Large Onsite Customers. For any hour in which the amount of electricity generated by an eligible Large Onsite Project exceeds the electricity consumed on the site, the Large Onsite Customer will be credited for electricity provided to the Authority as described in Section 1.C.18.C – Value Stack Crediting.

I. General Information (continued):

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

(f) At the conclusion of the billing period containing the twentieth (20) anniversary of the in-service date of an eligible Mass Market Project, eligible Commercial Demand NEM Project, or the twenty-fifth (25th) anniversary of the in-service date of an eligible Large Onsite Project:

(i) The Authority will remove any remaining credits for net (excess) energy attributable to the project from the Customer's account.

(ii) The Authority will notify the Customer of the removal of credits and such notice will include a description of the subsequent compensation system to be applied.

(iii) Mass Market Projects, Commercial Demand NEM Projects, and Large Onsite Projects still in operation and injecting energy onto the Authority's electric system will be compensated under the Tariff then in effect.

(g) Mass Market Projects that become Substantially Interconnected on or after January 1, 2022 will be subject to the Customer Benefit Contribution (CBC) charge as described below in Section VII.L.

(h) Mass Market Customers receiving service under Residential Rate Codes 194 or 195 will be eligible for the Excess Generation Exchange provided as a special provision to Service Classification No. 1 – Residential Service for those specific rate codes. (See Leaf No. 188B)

I. General Information (continued):

C. General Terms and Conditions (continued):

[CANCELLED]

I. General Information (continued):

C. General Terms and Conditions (continued):

[CANCELLED]

I. General Information (continued):

C. General Terms and Conditions (continued):

16. Remote Net Metering:

a) Customer Requirements and Eligibility

(1) Nonresidential Solar, Wind, Farm Waste, Micro-Hydroelectric and Fuel Cell Generators as described in Section 1.C.15.b are eligible to be host remote net metering accounts.

(2) Mass Market Projects and Large Offsite Projects with Eligible Net Metering Technologies that have submitted complete applications as per Step 3 of the Authority's Small Generator Interconnection Procedures before May 1, 2018 and are in service by January 1, 2020 who are compensated under Net Metering rules.

(3) 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 any Service Classification, in the same name as the Customer-generator. The Authority reserves the right to obtain proof that all accounts are held by the qualifying Customer-generator.

(4) The terms and conditions for net metering applicable to the Host Account are contained in Section I.C.15, except as modified below.

b) Host Designation and Allocation of Satellite Accounts

(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 and July 1 of each year thereafter, with thirty (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 nonresidential Host account and in the same name within the Authority's billing system as the Host account Customer-generator.

b) Both the Satellite account and the Host account must be within the Authority'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) The Satellite account can be a Customer-generator being net metered at that Satellite account, however, the Satellite account cannot also be a Remote Net Metering Host.

e) A Satellite account may have more than one (1) Host account.

I. General Information (continued):

C. General Terms and Conditions (continued):
Remote Net Metering (continued):

f) The aggregate rated capacity of net-metered generating equipment of the Remote Net Metering Host Account(s) designated to serve a Satellite plus the rated capacity of net-metered generating equipment on the Remote Net Metered Satellite account, if any, cannot exceed two thousand (2,000) kilowatts for existing Net Metering or Phase One NEM. The aggregate rated capacity of generating equipment of the Remote Net Meter Host Account(s) designated to serve a Remote Net Meter Satellite Account plus the rated capacity of net-metered generating equipment on the RNM Satellite Account, if any, shall not exceed five thousand (5,000) kilowatts for the Value Stack Tariff.

g) If a Remote Net Metered Satellite account is also a net-metered Customer-generator, charges and credits will first be applied pursuant to Section I.C.15.h. Remote Net Metering credits will then be applied pursuant to Section I.C.16.b.4 & 5.

(3) In the event that the amount of electric energy supplied by the Authority to the Host Account during the billing period exceeds the amount of electric energy provided by the Host account to the Authority during the same billing period, the Authority shall charge the Host account the rates provided in the Service Classifications applicable to the Host account Customer-generator for only the net amount of energy provided to the Host account, plus the amount of demand actually recorded in that billing month and other charges as applicable. The appropriate Service Classification for the Host account will be determined by the eligibility rules for each Service Classification as applied to the demand at the Host account.

(4) In the event that the amount of electric energy provided by the Host account to the Authority in any billing period exceeds the amount of electric energy supplied by the Authority to the Host account during the same billing period, the Host account shall be regarded as having received no electric energy (kWh) during that billing period.

a) Demand and other applicable charges will still apply to the Host account and the Satellite accounts. Host Accounts and Satellite accounts will be subject to applicable actual demand charges consumed in the billing period. The Authority will not adjust the demand charge to reflect demand ratchets or monthly demand minimums that might be applied to a standard tariff for net metering purposes.

b) If the Host account has excess on-site generation, the excess generation shall be converted to a monetary credit and applied as a direct credit to the host account's outstanding electric charges.

c) In the event that the excess on-site generation of the Host account as described in b) above exceeds all components of the host account's outstanding balance owed to the Authority, the remaining monetary credit will be allocated to the eligible designated Satellite accounts in the following manner:

(1) Any remaining monetary credit will be applied to the eligible designated Satellite accounts at the percentage designated by the Customer-generator and in the order that each subsequent Satellite account bills in the Authority's billing system. This process will continue through each day in the current and subsequent billing cycle until each Satellite account has been billed. The monetary credit applied to each Satellite account shall not exceed the Satellite account's charges for that billing period. Any allocated credits that exceed the amount that can be used by a Satellite account in that billing cycle will be returned to the Host account. If a Remote Net Metering Satellite account has more than one (1) Remote Net Metering Host, it will receive credits from the Remote Net Metering Host Accounts in the order in which the Host Accounts are billed.

I. General Information (continued):

C. General Terms and Conditions (continued):
Remote Net Metering (continued):

(2) If a monetary credit remains with the Host account after all the designated Satellite accounts have been billed, the remaining monetary credit will be applied as a direct monetary credit to the Host account. The monetary credit remaining will be redistributed in any subsequent billing cycle to the designated Satellite accounts prior to the annual reconciliation.

(5) Mass Market Projects and Large Offsite Projects with Eligible Net Metering Technologies that have submitted complete applications as per Step 3 of the Authority's Small Generator Interconnection Procedures before May 1, 2018 and are in service by January 1, 2020 will be credited as described in items (a) through (b) below.

(a) The Authority will calculate a monetary credit at the Host account's applicable tariff per kWh rate.

(b) Annual Reconciliation of Remaining Credits.

An annual reconciliation will be performed in the first billing period that ends on or after the annual Anniversary Date unless the Customer has residential Solar, Wind, Farm Wind, or Farm Waste electric generating equipment and makes a one-time election to have the Annual Reconciliation performed in an alternate month.

Any monetary credits remaining with the Host account will be converted back to kWhs and reconciled in accordance with the annual reconciliation procedures for net metering of an individual account.

I. General Information (continued):

C. General Terms and Conditions (continued):

17. Net Metering of Community Distributed Generation

Net metering of Community Distributed Generation ("CDG") allows residential and commercial customers to collectively share in the benefits of a remotely-sited distributed generation resource as if such resource was interconnected directly to the Customer's account. The general eligibility requirements for net metering and all other terms and conditions of the Tariff apply, as modified by or in addition to the specific requirements contained in this section.

Net metering of Community Distributed Generation is available throughout the Authority's service territory. Net metering of Community Distributed Generation is available to eligible customers, on a first come, first served basis.

The Authority shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellite, including contractual terms, pricing, dispute resolution, and contract termination.

a) Definitions

CDG Host: a Nonresidential Customer-generator that owns or operates electric generating equipment eligible for net metering under the Tariff or stand-alone storage. Net energy produced by the generating equipment of a CDG Host is applied to the accounts of CDG Satellites with which it has a contractual arrangement governing the disposition of net metering credits.

CDG Satellite: A residential or commercial Customer who is participating in a CDG Project. Each CDG Satellite Customer shall own or contract for a proportion of the Excess Generation accumulated at the meter of the CDG Host.

Excess Generation: the electricity (kWh) supplied by the CDG Host to the Authority during the billing period that exceeds the electricity (kWh) supplied by the Authority to CDG Host. For purposes of net metering of Community Distributed Generation, the excess generation will be recorded by an hourly interval meter so that time-differentiated excess generation can be calculated for distribution to CDG Satellite accounts as required.

b) Initial and Subsequent Applications by CDG Hosts

The CDG Host must be a Nonresidential Customer-generator or Nonresidential project owner of stand-alone storage that meets all the qualifications of the Tariff and must comply with any Operating Procedures for Community Distributed Generation approved by the Board of Trustees, including and in addition to the requirements listed below. The CDG Host will be assigned to an applicable Nonresidential Service Classification as determined by the eligibility rules for each Service Classification as applied to the demand of the CDG Host site.

The terms and conditions for net metering applicable to the CDG Host Account are contained in Section I.C.15, except as modified below.

I. General Information (continued):

C. General Terms and Conditions (continued):
Net Metering of Community Distributed Generation (continued):

(1) Initial Allocation Requests: At least sixty (60) days before commencing net metered service under CDG, the CDG Host shall designate in its initial application for net metered service the CDG Host account and CDG Satellite accounts that shall receive net metered service under CDG as well as the percentage of net energy output to be allocated to each CDG Satellite account and the percentage to be retained by the CDG Host. The CDG Host must designate no fewer than ten CDG Satellite accounts that meet the specifications provided below, and maintain that minimum number to remain eligible for net metering of CDG Satellite accounts, except when the project is located on the site of a contiguous property serving multiple residential or Nonresidential Customers.

(2) Subsequent Allocation Requests: The CDG Host may modify its CDG Satellite accounts and/or the percentage allocated to itself or one or more of its CDG Satellite accounts once per CDG Host billing cycle by giving notice to the Authority no less than thirty (30) days before the CDG Host account's cycle billing date to which the modifications apply.

(3) A CDG Host that provides a CDG Satellite's name and account number to the Authority (and such other information as the Authority may require to verify the Customer's account based on the information provided), is certifying that it has written authorization from the Customer to request and receive that Customer's usage information and, upon enrolling a CDG Satellite account, that it has entered into a written contract with such Customer for the specified percentage.

(4) Allocations of Excess Generation to CDG Satellite Customers must be specified in a percentage with no more than three decimal places of accuracy (0.001%).

(5) If less than 100.000% of the CDG Host Excess Generation is allocated by the CDG Host, the balance shall be retained on the CDG Host account, so that the full output of the CDG Host generation is allocated.

(6) Submittals with allocations that total more than 100.000% will be rejected, and the CDG Host must submit a new allocation percentage sixty (60) days before net metered service commences.

(7) No more than 40% of the Excess Generation of the CDG Host may serve CDG Satellites with a maximum annual demand of 25 kW or greater (for those members collectively); provided, however, that the CDG Host may count each dwelling unit located within a multi-unit building and served indirectly as though it were a separate participant for determining whether the ten CDG Satellite account minimum and 40% output limits are reached.

(8) A CDG Host account shall not be a Remote Net Metered Host or Satellite account. If the CDG Host account was previously established as a net metered Customer-generator or Remote Net Metered Host, it must forfeit any remaining kWh credits at the time it becomes a CDG Host.

(9) A CDG Host account cannot voluntarily become a net metered Customer-generator or Remote Net Metered Host unless all Satellite accounts agree in writing to the transfer and agree to give up their rights to future output of the Host account. If the CDG Host account transfers to a net metered Customer-generator or Remote Net Metered Host, or becomes ineligible to participate as a CDG Host, it must forfeit any remaining kWh credits at the time it switches.

I. General Information (continued):

C. General Terms and Conditions (continued):
Net Metering of Community Distributed Generation (continued):

c) CDG Satellite Account Requirements

(1) A CDG Satellite account shall have only one CDG Host account.

(2) All associated CDG Satellite accounts must be located within the Authority's service territory and within the same NYISO zone as the CDG Host account.

(3) The CDG Satellite account shall not be a net metered Customer-generator or a Remote Net Metered Host or Satellite account or take service under Service Classification No. 12.

(4) Each CDG Satellite account must take a percentage of the output of the CDG Host's Excess Generation. The percentage must amount to at least 1,000 kWh annually and may not exceed the CDG Satellite account's historic average annual kWh usage over the past three (3) years (or forecast usage if sufficient historic data is not available).

d) Process and Customer Protections

(1) The Authority reserves the right to establish CDG Operating Procedure that detail the format and requirements for CDG application submissions and other forms and procedures as may be required to administer the program in accordance with the Tariff.

(2) Additionally, the Authority's CDG Operating Procedure will set forth consumer protections required of CDG Hosts, which may be in addition to the terms of the Tariff.

(3) A CDG Host may not request termination or suspension of the Authority's electric service to a CDG Satellite account.

(4) The Authority may terminate net metering under this program and return all Customers to their otherwise applicable billing procedures if it determines that a CDG Host is no longer eligible, if the CDG Host withdraws from CDG participation, or if the Authority terminates service to the CDG Host account.

e) Account Closure

(1) The Authority shall require an actual meter reading to close a CDG Host account or CDG Satellite account taking service pursuant to CDG.

(2) The Authority shall close an account on the earlier of: (a) the first cycle date on which a reading is taken following the requested turn off date, or (b) the date of a special reading, which a Customer may request at the charge specified in Charges for Special Meter Reading as referenced in Section IX.B.(4).

(3) At the time a CDG Host account's final bill is rendered, all remaining Excess Generation will be allocated among the CDG Satellite accounts in the proportions most recently specified by the CDG Host, and any remaining credit will be purchased by the Authority at its avoided cost as if the account were individually net metered.

I. General Information (continued):

C. General Terms and Conditions (continued):
Net Metering of Community Distributed Generation (continued):

(4) A CDG Satellite shall no longer receive credits after the final bill is rendered on its account or the CDG Satellite is removed from a CDG Project. Any remaining credit at the CDG Satellite account at the time its final bill is rendered or it is removed from the CDG project will be returned to the CDG Host account. The CDG Host account may then distribute these credits to other satellites in accordance with the Annual Allocation Request below.

(a) A CDG Satellite that has been removed from a CDG project, but continues to maintain an active utility account, may not subscribe to a new CDG project until the billing period after which all banked credits are returned to the original CDG Host's account.

f) Projects with eligible Net Metering Technologies will receive volumetric (kWh) credits calculated and applied as described in items (1) through (5) below when (1) Mass Market Projects that are Substantially Interconnected before January 1, 2018 or (2) Large Offsite Projects have submitted complete applications as per Step 3 of the Authority's Small Generator Interconnection Procedures before May 1, 2018 and are interconnected by January 1, 2020.

(1) The CDG Host account will be billed in accordance with the procedures used to calculate a bill for an individually net metered Customer, except that Excess Generation remaining after the bill has been calculated will be allocated to each Satellite account in accordance with the CDG Host's designated allocation requests. Any Excess Generation remaining after the allocation will remain with the CDG Host account as an energy credit to be allocated to the Satellite accounts in future billing periods.

(2) As each CDG Satellite account is billed, Excess Generation allocated to the Satellite account will be applied to the CDG Satellite account as if the Customer were individually net metered. For CDG Satellite accounts served under time-of-use rates, the Excess Generation will be further allocated to the rating periods applicable to the CDG Satellite account in proportion to the times, days and seasons when the Excess Generation was delivered to the Authority.

(3) If any allocated Excess Generation remains after application to the Satellite account, the remaining allocated Excess Generation shall be carried forward on the CDG Satellite's account as a volumetric (kWh) credit for future bill periods.

(4) Any volumetric (kWh) credit remaining at the end of the annual period for each CDG Satellite account will be purchased by the Authority as if the account were individually net metered.

(5) <u>Annual Allocation Requests</u>

Once a year, following the annual anniversary of the CDG Host, after the CDG Host and all CDG Satellite accounts have billed and credits allocated in accordance with the Tariff, the Authority shall supply the CDG Host a calculation of any excess credits returned to the CDG Host and/or any unallocated excess credits remaining at the CDG Host. Within thirty (30) days of receipt of such information, the CDG Host must furnish to the Authority an annual allocation request for distributing these excess credits to one or more of the CDG Satellite Accounts. No portion of the excess credits may be allocated to the CDG Host Account.

No distribution shall be made if an annual allocation request is not received by the required date, and any undistributed credits on the CDG Host shall be forfeited.

I. General Information (continued):

C. General Terms and Conditions (continued):
Net Metering of Community Distributed Generation (continued):

g) Projects with eligible Net Metering Technologies will receive credits calculated and applied as described in items (1) through (9) below when (1) Mass Market Projects have become Substantially Interconnected on or after January 1, 2018 (2) Large Offsite Projects have submitted complete applications as per Step 3 of the Authority's Small Generator Interconnection Procedures on or after May 1, 2018 or (3) Existing generators sized greater than two thousand (2,000) kilowatts to five thousand (5,000) kilowatts that meet the eligibility criteria and are not currently compensated under the Value Stack shall be permitted to opt-in to participation in the Value Stack compensation.

(1) The CDG Host account will be billed in accordance with the procedures used to calculate a bill for an individually net metered Customer, except that Excess Generation remaining after the bill has been calculated will be monetized based on a calculation described in Section 1.C.18.C - Value Stack Crediting then the Excess Generation will be allocated to Mass Market Customer Satellite accounts and the monetized Value Stack Crediting will be allocated to Large Offsite Customer Satellite accounts in accordance with the CDG Host's designated allocation requests. Any monetized value remaining after the allocation will remain with the CDG Host account as a bill credit to be allocated to the Satellite accounts in future billing periods.

(2) For Mass Market Customer Satellite accounts, as each is billed, Excess Generation allocated to the Satellite account will be applied to the Mass Market Satellite account as if the Customer were individually net metered. For Mass Market Satellite accounts served under time-of-use rates, the Excess Generation will be further allocated to the rating periods applicable to the Mass Market Satellite account in proportion to the times, days and seasons when the Excess Generation was delivered to the Authority.

(3) For Mass Market Customer Satellite accounts, if any allocated Excess Generation remains after application to the Satellite account, the remaining allocated Excess Generation shall be carried forward on the Mass Market Satellite's account as a volumetric (kWh) credit for future bill periods.

(4) Value Stack Crediting will apply to Mass Market Customer Satellite accounts that participate in a CDG project that has submitted a complete application as per Step 3 of the Authority's SGIP on or after January 1, 2020, or a non-renewable CDG project that has submitted a complete application as per Step 3 of the Authority's SGIP after October 17, 2019. For a Mass Market Customer Satellite account receiving Value Stack crediting, if any bill credit remains on the Satellite account, the remaining bill credit shall be carried forward for future bill periods

(5) For Large Offsite Customer Satellite account, as each Large Offsite Satellite account is billed the monetized Value Stack Crediting will be allocated to that account.

(6) For Large Offsite Customer Satellite account, if any bill credit remains on the Satellite account, the remaining bill credit shall be carried forward on the Large Offsite Satellite's account for future bill periods.

(7) Annual Allocation Requests
Once a year, following the annual anniversary of the CDG Host, after the CDG Host and all CDG Satellite accounts have been billed and credits allocated in accordance with the Tariff, the Authority shall supply the CDG Host a calculation of any excess credits returned to the CDG Host and/or any unallocated excess credits remaining at the CDG Host. By the following anniversary date, the CDG Host must provide to the Authority an annual allocation request for distributing these excess credits to one or more of the CDG Satellite Accounts. No distribution shall be made if an allocation request is not received by the required date, and undistributed credits on the CDG Host shall be subject to forfeit.

I. General Information (continued):

C. General Terms and Conditions (continued):
Net Metering of Community Distributed Generation (continued):

(8) The day following the twenty-fifth (25th) anniversary of the in service date, projects still in operation and injecting energy onto the Authority's electric system, will be compensated under the Tariff then in effect.

(9) Notwithstanding any other provision of the Tariff and without waiving or limiting any of the Authority's other rights, the Authority reserves the right to alter the compensation structure for any Customer with Eligible Net Metering Technology that are Substantially Interconnected on or after January 1, 2020, as the Authority expects to take further action consistent with Phase Two of the New York Public Service Commission's Value of Distributed Energy Resources Proceeding on or around that date.

I. General Information (continued):

C. General Terms and Conditions (continued):
Net Metering of Community Distributed Generation (continued):

h) CDG Net Crediting Program

Effective January 1, 2021, a CDG Host that has all its CDG Satellites compensated pursuant to Section I.C.18 – Value of Distributed Resources (VDER) may participate in the CDG Net Crediting Program. The CDG Net Crediting Program is an elective payment and crediting methodology for CDG Hosts and CDG Satellites. Additional terms, conditions, definitions, and processes are set forth in PSEG Long Island's Community Distributed Generation Net Crediting Manual and posted on the Manager's website. In the event of any inconsistency between the PSEG Long Island's Community Distributed Generation Net Crediting Manual and the Tariff, the Tariff will govern.

The CDG Net Crediting Program allows Customers that are also CDG Satellites to receive a CDG Member Net Credit on their Electric Bill in lieu of receiving the CDG Member Full credit on their Electric Bill and then receiving an additional bill from the CDG Host. The Authority will remit a net payment to the CDG Host as described herein on behalf of our Customers that are also CDG Satellites.

(1) Enrollment and Subsequent Changes

CDG projects participating in the CDG Net Crediting Program must meet all the requirements and follow the provisions provided within this Section.

The CDG Host must enroll in the program by executing a CDG Sponsor Net Crediting Agreement with the Authority, at least sixty (60) days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under the CDG Program as defined in this Section. Member participation in Net Crediting shall become effective with the first CDG Host bill sixty (60) days after all necessary enrollment documentation have been received and approved by the Authority.

(a) The CDG Host must be in good standing on the electric account tied to the CDG Host project to be eligible for and participate in Net Crediting. A CDG Host that fails to maintain its account in good standing may have its CDG Host Payments withheld.

(b) CDG Hosts may remove a CDG project from the CDG Net Crediting Program with written notice to the Authority at least forty-five (45) days prior to the CDG Host Account's cycle billing date to which the removal applies. A CDG project that has previously been removed from the CDG Net Crediting Program may only re-enroll after one (1) year from the date they were removed from the CDG Net Crediting Program and will be subject to the required sixty (60) days' notice to re-enroll a CDG project as specified above.

(c) If a CDG Host transfers ownership of a CDG project participating in the Net Crediting Program and the new CDG Host intends to continue the Net Crediting, the new CDG Host will be required to re-enroll the CDG project and meet all requirements including the sixty (60) days' notice as described here in.

I. General Information (continued):

C. General Terms and Conditions (continued):
Net Metering of Community Distributed Generation (continued):

(2) CDG Savings Rate

(a) The CDG Host shall provide the value for the CDG Savings Rate for the project to the Authority as part of the enrollment process. Following the initial enrollment in the Net Crediting Program, the CDG Host may submit a notice to update the CDG Savings Rate no earlier than six (6) months from the initial enrollment in the CDG Net Crediting Program or any subsequent date of modification to the Savings Rate.

(i) The CDG Savings Rate may not be less than 5% for any CDG project and no greater than 99% (to leave room for the Administration Fee rate of 1%). The CDG Savings Rate will apply equally to all CDG Satellites of a CDG Project as specified in Section I.C.17.h).(4) below, except for an Excluded Anchor Satellite, if applicable.

(ii) The CDG Host may modify its CDG Savings Rate or its associated CDG Satellite accounts and/or the allocation percentages of its CDG Satellites, upon written notice to the Authority, no less than forty-five (45) days prior to the CDG Host account's billing date to which the modifications apply.

(3) Anchor Satellite

(a) The CDG Host may choose to designate one large CDG Satellite to be an Excluded Anchor Satellite.

(b) The Excluded Anchor Satellite customer must have a demand greater than or equal to 25kW in the last twelve (12) months.

(c) The Excluded Anchor Satellites shall be identified on the CDG Net Credit Enrollment Form at least sixty (60) days prior to net crediting as an Excluded Anchor Satellite.

(d) The CDG Host may change the designation of the Excluded Anchor Satellite as set forth in the PSEG Long Island's Community Distributed Generation Net Crediting Manual.

(e) The Authority shall not apply a Member Net Credit to the Excluded Anchor Satellite Bill.

(f) The Authority shall not withhold a CDG Subscription Fee on the Excluded Anchor Satellite's allocated Value Stack Credits.

(4) Applied Credit and Subscription Fee

(a) The Authority shall calculate and apply a Member Net Credit to each participating CDG Satellite's bill.

(b) The Member Net Credit shall be determined as follows:
(i) For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Section I.C.18.c), Value Stack Calculation for net export injections made by the CDG Host. Banked Monetary Credits plus allocated Monetary Credits applied to electric charges ("Applied Credit") cannot exceed the CDG Satellite's electric bill.

I. General Information (continued):

C. General Terms and Conditions (continued):
Net Metering of Community Distributed Generation (continued):

(ii) If there are remaining Monetary Credits, the credit shall be banked on the CDG Satellite's account for the subsequent billing period.

(iii) The CDG's Satellite's Member Net Credit is equal to the Applied Credit times the CDG Savings Rate.

(c) A CDG Subscription Fee will be calculated for all CDG Satellites, except the Excluded Anchor Customer, based on the Applied Credit each billing period. The CDG Subscription Fee is equal to the Applied Credit multiplied by one minus the CDG Savings Rate.

(5) Each CDG Satellite, except for an Excluded Anchor Satellite, will receive a credit on its bill in the amount of the Member Net Credit for the billing period.

(6) An Authority Administrative Fee is retained by the Authority and is equal to the Applied Credit times the 1% Administrative Fee rate for the billing period.

(7) The CDG Host Payment will be the sum of the CDG Satellite's Subscription Fees calculated for each of the project's CDG Satellites in the applicable billing period less the Administrative Fee applicable for the billing period.

(a) The CDG Host Payment will be remitted to the each CDG Host in a separate payment via Automatic Clearing House (ACH) or check payment.

(b) If the CDG Host fails to pay any tariff charges on the CDG Host account for which a written bill has been rendered:

(i) After thirty (30) days past due, the Company shall withhold the CDG Host payment until the CDG Host has provided payment of the full amount in arrears.

(ii) After ninety (90) days past due, the Authority may remove the CDG Host from the CDG Net Crediting Program.

(8) Unenrollment

CDG Hosts may unenroll from the CDG Net Crediting Program with forty-five (45) days' written notice to the Authority, in a manner pursuant to the PSEG Long Island's Community Distributed Generation Net Crediting Manual. A CDG Host that has previously unenrolled from the CDG Net Crediting Program may re-enroll after at least twelve (12) months from the date the unenrollment was fully completed and all Satellites were informed and billed.

I. General Information (continued):

C. General Terms and Conditions (continued):

18. Value of Distributed Energy Resources (VDER)

a) Definitions:

(1) Capacity Alternative 2 Contracted Hours: The hours of 2:00pm to 7:00pm within a weekday, Monday through Friday, from June 24 to August 31 excluding Independence Day for a total of 240 or 245 hours, depending on the calendar for that year.

(2) Customer-generator's Annual Unforced Capacity (UCAP) Value: The value determined from the previous NYISO Capability Year by measuring net export onto the Authority's system by a Customer-generator at the time of the peak recorded for the Long Island Locality, Zone K. Customer-generator's UCAP Value is defined as a kilowatt value (kW).

(3) Monthly Spot Market Capacity Price: The UCAP price of capacity in the Long Island Locality, Zone K, as determined by the NYISO Spot Market Auction measured in ($/(kW-month).

(4) Planned LSRV Event: The Authority's request, on not less than 21 hours' advance notice, for Load Relief during the LSRV Contracted Hours. Planned LSRV Events will be called when the Authority's day-ahead forecasted load level is at least 94 percent of the forecasted summer system-wide peak. Day-ahead and summer peak forecast information for the system will be posted to the Manager's website.

(5) DRV/LSRV Contracted Hours: The five-hour period 2pm to 7pm within a weekday, Monday through Friday, from June 1, through August 31 excluding Independence Day for a total of 320 or 325 hours, depending on the calendar for that year.

(6) Previous Year's Annual Spot Market Capacity Price: Sum of twelve (12) Monthly Spot Market Capacity Prices from previous NYISO Capability Year (May-April) ($/kW-year).

b) Value Stack Terms:

(1) Eligible Customer-generators will be compensated based on monetary crediting for net hourly injections into the grid.

(2) Projects eligible for the Value Stack will receive compensation for a term of twenty-five (25) years from the date of interconnection and will have the ability to carry-over excess credits to subsequent billing periods and annual periods as follows:

(a) Excluding credits held by CDG project hosts, unused credits may be carried over to the next monthly billing period, including to the next annual period.

(b) At the end of a project's compensation term, twenty-five (25) years from the date of interconnection, any unused credits will be forfeited.

I. General Information (continued):

C. General Terms and Conditions (continued):
Value of Distributed Energy Resources (VDER) (continued):

(c) CDG project hosts will be given a one-year grace period beyond the end of the annual period to distribute any credits they retain at the end of the annual period.

(d) At the end of the grace period, the CDG project host will be required to forfeit a number of credits equal to the smallest number of credits that were in its account at any point during the grace period, since that represents the number of credits that were held over from the previous period.

c) Value Stack Calculation:

Compensation under the Value Stack will apply to Customers identified as eligible in the Net Metering, Remote Net Metering, and Community Distributed Generation provisions of the Tariff (see Sections I.C.15 – I.C.17). The net energy injections of these resources will be calculated based on the values associated with the following components, which will be shown on a separate Statement of Value Stack Credits:

(1) Energy Component

For any hour in a monthly billing period where there is a net export onto the Authority's system by a Customer-generator, the Customer-generator will receive a credit for energy by multiplying the export in that hour times the Energy Component ($/kWh). The Energy Component will be equal to the NYISO Day-Ahead Locational Based Marginal Price (LBMP) based on Zone K, inclusive of transmission losses identified by the NYISO and delivery losses as defined by Statement of Energy and Peak Demand Losses. The Energy Component compensation will be summed for all hours of the Customer-generator's billing month and added to Value Stack Calculation Bill Credit posted to the Customer-generator's account.

(2) Capacity Component

Non-dispatchable resources may select Alternative 1, Alternative 2, or Alternative 3. Alternative 1 will be the default VDER Value Stack Capacity Component compensation methodology for non-dispatchable resources if no selection is made by the Customer-generator.

Dispatchable technologies will be assigned to Alternative 3.

(a) Alternative 1

Under Alternative 1, compensation for capacity will be calculated by multiplying the sum of the project's net injections (kWh) each hour by the Alternative 1 VDER Value Stack Capacity Component ($/kWh) in effect at the time of billing. The Alternative 1 VDER Value Stack Capacity Component will be calculated by multiplying the monthly NYISO $/kW-month auction price by the proxy capacity factor, divided by the monthly production, all as identified in the Statement of Value Stack Credits.

I. General Information (continued):

C. General Terms and Conditions (continued):
Value of Distributed Energy Resources (VDER) (continued):

(b) Alternative 2

Under Alternative 2, compensation for capacity will be calculated by multiplying the sum of the project's net injections (kWh) for each of the Capacity Alternative 2 Contracted Hours by the Alternative 2 VDER Value Stack Capacity Component ($/kWh) for that month. The Alternative 2 VDER Value Stack Capacity rate will be calculated by dividing the Previous Year's Annual Spot Market Capacity Price by the Capacity Alternative 2 Contracted Hours (240 or 245). A Customer-generator must elect Alternative 2 by May 1 to be eligible to receive the rate beginning June 1 of that year. A Customer-generator electing Alternative 2 after May 1 will be compensated under Alternative 1 until April 30 of the following calendar year.

The Alternative 2 rate will be revised by June 1 of each year in the Statement of Value Stack Credits.

(c) Alternative 3

Under Alternative 3, compensation for capacity will be calculated based on a Customer-generator's Capacity Value and Capacity Price, as follows.

(i) Customer-generator's Capacity Value:

Eligible Customer-generators will receive a Capacity Value calculated as the Customer-generator's Annual UCAP Value (kW). The Capacity Value will remain in effect as long as the eligible Customer-generator resource operates or until the last month of the NYISO Capability Year (April), whichever comes first.

(ii) Customer-generator's Capacity Price:

Eligible Customer-generators will receive a Capacity Price equal to the current Monthly Spot Market Capacity Price grossed up to include peak losses as defined by the Statement of Energy and Peak Demand Losses and additional reserve requirements as required by the NYISO. The Capacity Price is shown on the Statement of Value Stack Credits.

(iii) Capacity Component Payments:

An Eligible Customer-generator's Capacity Component Credit in each month will be calculated as the Customer-generator's Capacity Value multiplied by the current Monthly Spot Market Capacity Price. The Capacity Component Credit will be added to the Value Stack Calculation Bill Credit posted to the Customer-generator's account each month.

I. General Information (continued):

C. General Terms and Conditions (continued):

[CANCELLED]

I. General Information (continued):

C. General Terms and Conditions (continued):
Value of Distributed Energy Resources (VDER) (continued):

(d) Alternative Method Change Requests

A request for a change in VDER Value Stack Capacity Component compensation submitted by a Customer-generator with intermittent generation is subject to the following limitations:

(i) A project compensated under Alternative 1 may switch to compensation under Alternative 2 or to Alternative 3;

(ii) A project compensated under Alternative 2 may switch to Alternative 3;

(iii) A project compensated under Alternative 2 cannot switch to Alternative 1; and

(iv) A project compensated under Alternative 3 cannot switch to Alternative 1 or Alternative 2.

(3) Environmental Component

(a) Customers with generation that is eligible to receive Renewable Energy Standard Tier 1 Renewable Energy Credits ("RECs") must elect, by the date of interconnection, to either retain all RECs generated, or to sell these RECs to the Authority. For Customers who elect to transfer their RECs to the Authority and for CDG Satellite Accounts who's CDG Host Account elects to transfer their RECs to the Authority, will receive the Environmental Component.

(b) The environmental component will be determined as of the in service date of the Customer-generator and will be the greater of either:

(i) NYSERDA posted Tier 1 REC market price or

(ii) Social Cost of Carbon net of the Regional Greenhouse Gas Initiative ("RGGI")

(c) The project's Environmental Component Credit rate will be set at the current value as of the date the applicant makes an advanced payment of 30% of the estimated costs as per Step 7 of the Authority's Small Generator Interconnection Procedures or has its standard interconnection contract executed if no such payment is required. The value shall be fixed for the Customer-generator's first twenty-five (25) years of compensation under the Value Stack. The Environmental Component Credit per ($/kWh) will be summed for all hours of the Customer-generator's billing month and added to Value Stack Calculation Bill Credit posted to the Customer-generator's account.

(d) For all other Customers that choose to retain their RECs, the Environmental Component Rate is $0/kWh.

(e) For any project submitting a complete application as per Step 3 of the Authority's SGIP after October 17, 2019, that does not meet the definition of renewable energy systems in PSL §66-p, the Environmental Component Rate is $0/kWh.

I. General Information (continued):

C. General Terms and Conditions (continued):
Value of Distributed Energy Resources (VDER) (continued):

(4) Value of Distribution

Demand Reduction Value (DRV) and Locational System Relief Value (LSRV) will be based on the utility Marginal Cost of Service (MCOS) studies per Service Classification, and will be determined as follows:

(a) For eligible Customer-generators, the DRV compensation will be calculated by multiplying the sum of the projects net injections (kWh) for each of the DRV/LSRV Contracted Hours by the project's DRV Value Stack rate ($/kWh). The project's DRV rate will be set at the current DRV value as of the date the applicant makes an advanced payment of 30% of the estimated costs as per Step 7 of the Authority's Small Generator Interconnection Procedures or has its standard interconnection contract executed if no such payment is required. The rate shall be fixed for ten (10) years. After the first ten (10) years, eligible Customer-generators will be compensated the then applicable DRV rate and hours. The rate will be updated in a Statement of Value Stack Credits.
   (i) Customer-generators may choose to waive the DRV compensation of the Value Stack and opt-in to the Commercial System Relief Program (CSRP). This voluntary election is a one-time, irreversible decision that may be made at any point during the project's Value Stack compensation period. The Customer-generator must notify the Authority of its intention to opt in to the CSRP.

(b) Customer-generators located in designated project locations will receive a LSRV payment based on Load Relief when an LSRV Planned Event is called. PSEG Long Island will notify the Customer-generator of an Event twenty-one (21) hours in advance and the window may be between one (1) to four (4) hours long.
   (i) Customer-generators will receive payments based on the lowest hourly net kW injection during each call.
   (ii) The LSRV ($/kW-year) is currently set at 50% of the DRV value identified in Statement of Value Stack Credits for all LSRV areas.
   (iii) There must be a minimum of ten (10) calls each year. The $/kW-year will be divided by ten (10) to determine the value of each call window. If there are less than ten (10) calls, at the end of the period identified in the DRV/LSRV Contracted Hours, the Customer-generator will be compensated for the calls that did not occur at the lowest hourly net kW injection for a total of ten (10) calls in their October Value Stack Bill Credit.
   (iv) The project's LSRV rate will be set at the current LSRV value as of the date the applicant makes an advanced payment of 30% of the estimated costs as per Step 7 of the Authority's SGIP or has its standard interconnection contract executed if no such payment is required. The LSRV payment shall be fixed for a ten (10) year term of compensation for the Customer-generator, after which time the LSRV payment will be reset based on the then applicable LSRV.
   (v) The LSRV will only be available to projects located in LSRV areas. Eligible LSRV areas that have been identified by the Authority may be found on Statement of LSRV Areas.

(c) For each Customer-generator's billing period, the sum of the above listed components from Section I.C.18.c.(4) (a) to (b) will be added to Value Stack Calculation Bill Credit posted to the Customer-generator's account.

(5) CDG Community Credit

Large Offsite Projects will receive a CDG Community Credit ($/kWh) as part of their Value Stack Calculation Bill Credit for twenty-five (25) years from their in-service date.

I. General Information (continued):

C. General Terms and Conditions (continued):
Value of Distributed Energy Resources (VDER) (continued):

(a) The project's Community Credit rate will be set at the current value as of the date the applicant makes an advanced payment of 30% of the estimated costs as per Step 7 of the Authority's Small Generator Interconnection Procedures or has its standard interconnection contract executed if no such payment is required. The project's Community Credit will remain at that fixed level ($/kWh) for twenty-five (25) years from the project's in-service date.

(b) The value of the CDG Community Credit is identified in the Statement of Value Stack Credits. The value may vary by resource technology or other characteristic recognized by Order of the New York Public Service Commission.

d) Value Stack Billing

At the conclusion of a billing period, a Customer will be billed for the total consumption of energy measured at the rates specified in the Customer's otherwise applicable Service Classification, including applicable demand charges.
If there is a Value Stack Calculation Bill Credit for the month, such credit will be applied as a direct monetary credit to the Customer's current utility bill for any outstanding energy, customer, demand, or other charges. If the Customer's current month's Value Stack Calculation Bill Credit plus any prior period Value Stack Calculation Bill Credit exceeds the current bill, the remaining monetary credit will be handled as follows:

(1) Large On-Site Customers, See Section C.15.h).(2)

(2) For Remote Net Metered accounts, See Section C.16.b).(5)

(3) For CDG accounts, See Section C.17.g)

e) Storage

(1) Customers with stand-alone storage that is sized not to exceed 115% of the Customer's peak hourly consumption load may be on any rate for which they qualify and will be compensated at the Value Stack minus the Environmental credit and the CDG Community Credit for all excess generation.

(2) Customers with stand-alone storage that is sized at 115% or above of the Customer's peak hourly consumption must be on a qualifying time-of-use rate and will be compensated at the Value Stack minus the Environmental credit and the CDG Community Credit for all excess generation.

(3) For Customers who pair energy storage systems with eligible electric generating equipment ("Hybrid Facility"), the Authority will calculate the Environmental Component Credit and the CDG Community Credit, pursuant to the rules set forth below. All other Value Stack components, including the Energy Component Credit, Capacity Component Credit, DRV Component Credit, and LSRV Component Credit, will be calculated as specified in Section I.C.18.c).(4) above. Consistent with Section I.C.18.c).(3), the Environmental Component Credit will only be provided where the electric generating equipment is eligible to receive Tier 1 RECs, the Community Credit will only be provided for eligible Customers and consistent with the Community Credit rate applicable to the Customer and the Capacity Component will be calculated based on Alternative 1, Alternative 2 or Alternative 3 based on Customer election.

I. General Information (continued):

C. General Terms and Conditions (continued):
Value of Distributed Energy Resources (VDER) (continued)
Storage (continued):

(4) Customers operating Hybrid Facilities have the opportunity to elect one of the four compensation methodologies described below in (4).(a), (4).(b), (4).(c), or (4).(d). Customers will make this election at the same time they select a capacity compensation methodology in accordance with Section I.(C).18.c).(2). The default option, if no other election is made by the Customer, is compensation methodology (4).(d). below.

Customers operating Hybrid Facilities have a one-time option to change their initial election of (4).(a) or (4).(b) to election of (4).(c). This one-time election may be made at any time following the initial election but will not become effective until such time that any required metering or telecommunications is installed.

(a) Storage Exclusively Charged from Eligible Generator – For Customers operating Hybrid Facilities who are able to demonstrate that the energy storage system charges exclusively from the qualified electric generating equipment, the Environmental Component Credit and the CDG Community Credit will be based on net hourly injections to the Authority's electric system as measured at the Authority's meter located at the point of common coupling ("PCC").

(b) Storage Controls Configuration – For Customers operating Hybrid Facilities who install appropriate controls to ensure that net hourly injections are only made with energy produced from eligible technologies, the Value Stack Environmental Component Credit and the CDG Community Credit will be based on net hourly injections to the Authority's system and calculated as described in Section I.C.18.c).(2).

(c) Storage Import Netting Configuration - For Customers operating Hybrid Facilities with a separate Authority-approved revenue grade interval meter and appropriate telemetry on the AC side of the inverter of the Hybrid Facility and whose storage configuration does not meet the requirements of (4).(a) or (4).(b) above, the Value Stack Environmental Component Credit and the CDG Community Credit is determined by reducing the net hourly injections, as measured at the Authority's meter located at the Customer's PCC with the Authority's system, by the monthly consumption of energy recorded on the Authority's separate Hybrid Facility meter.

(d) Storage Default Configuration - For all other Customers with energy storage paired with electric generating equipment, the Value Stack Environmental Component Credit and the CDG Community Credit is based on netting of all metered consumption and injections at the PCC over the applicable billing period.

(e) Reference the (a) – (d) above, the Customer is responsible for any costs associated with additional metering requirements and telemetry. Customers shall be responsible for any work required to accommodate the appropriate controls and/or multiple meter configuration. This controls demonstration may require separate Authority revenue grade interval meter(s) and appropriate telemetry on the AC side of the applicable inverter(s) and explicit Authority acceptance.

I. General Information (continued):

C. General Terms and Conditions (continued):

19. Resale, Redistribution, and Submetering of Electricity for Residential Purposes

a) If the internal wiring of a building was installed before January 1, 1977, a Customer may purchase electricity metered through a single master meter for the entire building and collect no more than the cost for the electricity, as billed by the Authority, from the tenants as part of their rent.

b) Electric service may be furnished for submetering to new or existing owners or operators of residential dwelling rental units, condominiums, cooperatives, or assisted living and senior living facilities following approval by the Chief Executive Officer's (CEO) designee in accordance with the Authority's *Requirements for Residential Submetering*.

c) Electric service may be furnished to new or existing campgrounds, recreational trailer parks, or marinas for submetering following approval by the Chief Executive Officer's designee in accordance with the Authority's *Requirements for Residential Submetering*.

I. General Information (continued):

C. General Terms and Conditions (continued):

[CANCELLED]

I. General Information (continued):

C. General Terms and Conditions (continued):

[CANCELLED]

I. General Information (continued):

C. General Terms and Conditions (continued):

[CANCELLED]

I. General Information (continued):

C. General Terms and Conditions (continued):

[CANCELLED]

I. General Information (continued):

C. General Terms and Conditions (continued):

20. Resale, Redistribution, and Submetering of Electricity for Nonresidential Purposes

a) Customers or Applicants may sub meter electricity in properties used for nonresidential or commercial purposes if their application for approval to use submetering contains the following information and the application is approved by the Chief Executive Officer's designee:

(1) A statement explaining with appropriate analysis that submetering would be more economical than direct utility metering, and

(2) A description of the submetering system that would be installed with certification of its reliability and accuracy, and

(3) The method and basis for calculating rates to tenants, including a maximum rate (rate cap), to prevent the submetering charge from being more than the Authority's direct-metered commercial rate would be to each tenant, and

(4) Reasonable complaint procedures and tenant protections, and

(5) A method for notifying, in writing, all tenants of the proposal to submeter. The notification shall include the name, title, address and telephone number of the Chief Executive Officer's designee, and

(a) A summary of the information given to the Chief Executive Officer's designee in 1-4 above, and

(b) An invitation to make comments to the Chief Executive Officer's designee.

(6) A guarantee that the method of calculating the rate and the rate cap, complaint procedures, and tenant protections shall be explained in plain language and be part of all leases governing submetered premises.

b) The applications required under a. above should be sent to the Office of the Chief Executive Officer, Long Island Power Authority, 333 Earle Ovington Blvd., Suite 403, Uniondale, NY 11553

c) Decisions of the Chief Executive Officer's designee on applications for permission to submeter under C.18 shall be final. Such decisions are not subject to review under the complaint procedures set forth in the Tariff.

d) The Authority (including the Chief Executive Officer's designee) is not responsible for hearing or settling service or billing complaints between the tenant and the submeterer.

I. General Information (continued):

C. General Terms and Conditions (continued):
Resale, Redistribution, and Submetering of Electricity for Nonresidential Purposes (continued):

e) The Authority (including the Chief Executive Officer's designee) may require any Applicant or Customer to provide satisfactory proof that all the electrical power being supplied to the Applicant or Customer is being used or will be used according to the conditions in C.18, and the Authority may discontinue service if the Customer does not comply with these conditions.

I. General Information (continued):

C. General Terms and Conditions (continued):

21. Low Income Program Discount

a) Customer Requirements and Eligibility

(1) Customers served under Service Classifications No. 1, Service Classification No.1 VMRP(S), and Service Classification No. 1 VTOU, who provide documentation of enrollment in a qualifying program as listed in Section I.B (Qualifying Low Income Customer) are eligible for a fixed discount on their bill.

(2) Documentation of qualification must be dated no earlier than eighteen (18) months prior to the date of application or renewal.

(3) Eligibility and enrollment must be renewed each fourteen (14) months. To the extent that the Authority can automatically determine a Qualifying Low Income Customer's continued eligibility, the Customer will not need to re-apply.

(4) Qualifying Low Income Customers whose continued eligibility cannot be automatically determined will be notified by the Authority 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 the discounted charges until the renewal process is successfully completed. The Authority may extend the Grace Period in the event a state of emergency affecting the service territory is declared. Disenrollments are paused through November 30, 2026.

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

b) Discounts

(1) The Tier 1 discount is available to all Qualifying Low Income Customers. Customers that have received a HEAP benefit plus one (1) add-on shall receive the Tier 2 discount. Customers that have received a HEAP benefit plus two (2) add-ons shall receive the Tier 3 discount. The Tier 4 discount is reserved for Customers with Direct Voucher/Guaranteed Payment. HEAP recipients receive add-ons for households with a vulnerable individual (household member who is age 60 or older, under age 6 or permanently disabled) and/or if the household's gross income meets HEAP Tier 1 income guideline.

(2) The daily discount rate can be found on a separate Statement of Low Income Program Discount.

I. **General Information (continued):**

C. General Terms and Conditions (continued):

c) Billing

(1) 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 (in accordance with Section IV D. 2); (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.

(2) If the total bill credit identified in C.21.b) (1) exceeds the charges for the entire billing period including Power Supply Charge, the current billing period's discount will equal the total bill for that period.

d) Reconnection Charges

(1) As per Section V.H.3.d) the "Reconnection Charge" will not apply to Qualifying Low Income Customers receiving financial assistance from a local social services department.

22. Customer Contact Consent

a) Customers who provide their wireless telephone number to the Authority when they initially sign up to receive utility service, subsequently supply the wireless telephone number, or later update their contact information, are giving consent to be contacted by the Authority at that number with messages that are closely related to the utility service, which may include but are not limited to the following: notification of planned or unplanned service outages; notification of field work that directly affects the Customer's utility service; and notification that failure to make payment will result in service curtailment.

I. General Information (continued):

C. General Terms and Conditions (continued):

23. Remote Crediting:

a) Host Customer Requirements and Eligibility

The following are eligible to be Remote Crediting host accounts:

(1) Nonresidential Solar, Wind, Farm Waste, Micro-Hydroelectric and Fuel Cell Generators as described in Section 1.C.15.b.

(2) A Residential Farm Customer with Wind, Farm Waste, Micro-Hydroelectric and Fuel Cell Generators as described in Section 1.C.15.b.

(3) Residential Customers with net metering eligible technology who will use the service as specified in Section 76 of the Public Service Law, for religious purposes, a Community Residence, or a post or hall owned or leased by a not-for-profit corporation that is a Veterans Organization.

b) Satellite Customer Requirements and Eligibility

(1) The following are eligible to be Remote Crediting satellite accounts:

(a) Any account who is not a participant in Remote Net Metering or Community Distributed Generation.

(b) Any account who is not a Remote Crediting Host.

(2) A Remote Crediting Satellite account can be a Customer-generator

(a) The aggregate rated capacity of generating equipment of the Remote Crediting Host Account(s) designated to serve a Remote Crediting Satellite Account plus the rated capacity of net-metered generating equipment on the Remote Crediting Satellite Account, if any, shall not exceed five thousand (5,000) kilowatts.

i. If a Remote Crediting Satellite account is also a net-metered Customer-generator, charges and credits will first be applied pursuant to Section I.C.15.h. Remote Crediting credits will then be applied pursuant to Section I.C.23.d.

ii. If it is determined that the Remote Crediting Satellite is receiving more than the aggregated capacity of 5 MW, the Manager shall suspend any application of credits to the Satellite and those credits will remain with the appropriate Host.

(3) A Remote Crediting Satellite account may have more than one (1) Remote Crediting Host account. The Remote Crediting Hosts must notify the Manager if a Remote Crediting Satellite has multiple Remote Crediting Hosts on any allocation form submitted to the Authority.

I. General Information (continued):

C. General Terms and Conditions (continued):
Remote Crediting (continued):

c) Host Designation and Allocation of Remote Crediting Satellite

(1) The Host account must designate their Satellite accounts and the percentage of their Value Stack credits designated to these Satellite accounts when submitting their initial Remote Crediting application, such that the allocation totals 100 percent.

(2) After the initial application, the Host account may designate additional Satellite accounts or delete existing Satellite accounts from the Customer's Remote Crediting arrangement each month. The Host must submit a new allocation form thirty (30) days prior to the end of the Host's billing cycle in order for it to be effective.

(3) If the Remote Crediting allocation list totals less than 100 percent, the unallocated portion will be applied to the Remote Crediting Host account. Allocations that total more than 100% shall be rejected by the Authority and the Remote Crediting Host will be required to revise and resubmit the Remote Crediting allocation form.

(4) The Authority will rely exclusively on the monthly allocation request form to verify a Remote Crediting Satellite account's participation in a Remote Crediting project.

(5) The Host may designate Value Stack Credits to no more than ten (10) Satellite partners. Each Satellite partner may have an unlimited number of utility billing accounts provided that all utility billing accounts under a given Satellite partner are in the same Customer name.

(6) Both the Satellite account and the Host account must be within the Authority's service territory.

(7) The Remote Crediting Host is permitted to receive no allocation of credits by indicating such on the allocation form. This exclusion is permitted only on the Remote Crediting Host account on which the generating asset is located. In the event a Remote Crediting Host chooses not to receive monthly allocations, yet credits are held in the host bank, the Remote Crediting Host's electric charges will be offset by those credits in the host bank.

I. General Information (continued):

C. General Terms and Conditions (continued):
Remote Crediting (continued):

d) Remote Crediting Billing

(1) Remote Crediting Projects will be billed in accordance with Value Stack Compensation as described in Section 1.C.18.C. and credits will be allocated in accordance with the percent allocations provided by the Remote Crediting Host. Any credit allocated to the Remote Crediting Host account or to Remote Crediting Satellite accounts will be applied up to the Host account's electric charges on that bill. Any remaining unused credits for that account will be carried over on the Remote Crediting Host or Remote Crediting Satellite's respective accounts for possible allocation in the next billing period.

(2) Credits remaining on the Remote Crediting Host account at the end of the billing period will be available to offset the Remote Crediting Host's electric charges on its next bill, any remaining dollars may be used for future host bank disbursement to participating Remote Crediting Satellite accounts.

(3) In the event a Remote Crediting Satellite account is canceled or dropped from the relationship, any remaining credits on the Satellite account, after satisfying the accounts' final electric charges, will be returned to the Remote Crediting Host account and become available to offset the host electric charges or for allocation to the remaining Remote Crediting Satellite accounts in future host bank disbursements. If the canceled or dropped Remote Crediting Satellite account is a participant in multiple Remote Crediting projects, the credits will be returned to each Remote Crediting host proportional to the percent of installed capacity allocated to that Remoted Crediting Satellite account from each such project.

I. General Information (continued):

C. General Terms and Conditions (continued):

24. Host Community Benefit Program

a) Program Description

(1) The Host Community Benefit Program ("HCB Program") provides an annual electric bill credit to eligible residential customers located within the town(s) or city(ies) where a Major Renewable Energy Facility ("MRE Facility") is physically located ("Renewable Host Community"). The Authority will disperse the annual credit after receipt of the annual fee from the Renewable Owner of the MRE Facility ("Program Fee") as described herein.

b) Definitions

Renewable Host Community is any town or city within which an MRE Facility or any portion thereof, is located, as identified by the New York State Energy Research and Development Authority ("NYSERDA") and conveyed to the Authority.

Renewable Owner is the owner of an MRE facility constructed after April 3, 2020 and for which NYSERDA has executed an agreement for the acquisition of environmental attributes related to a solicitation issued by NYSERDA after April 3, 2020.

Major Renewable Energy Facility is a renewable energy system, as such term is defined in PSL Section 66-p, with a nameplate generating capacity of 25 MWs or more, and any co-located system storing energy generated from such a renewable energy system prior to delivering it to the bulk transmission system, including all associated appurtenances to electric plants as defined under PSL Section 2, including electric transmission facilities less than ten (10) miles in length or to provide access to load and to integrate such facilities into the state's bulk electric transmission system.

c) Program Eligibility

(1) A Customer that takes service under Service Classification No. 1 shall be eligible to receive an annual bill credit as described in Section e) below.

(2) The Residential Customer must reside within the Renewable Host Community where the MRE Facility is located in order to receive the annual bill credit. Eligible customers will be identified by their addresses in the Host Community.

(3) Any Residential Customer who notifies the Authority that they have not received a credit and can provide satisfactory proof to the Authority that they were a Residential Customer of the Authority in a Renewable Host Community as of January 1 of the credit year, will be provided the credit for that year.

d) Program Fee

(1) NYSERDA will notify the Authority, by November 1 of each year, of MRE Facilities that are expected to be operational the following year and required to pay the Program Fee, and the amount of each MRE Facility's Program Fee. The Authority will invoice the Renewable Owner for the upcoming credit year's Program Fee, and annually thereafter for subsequent credit year payments.

I. General Information (continued):

C. General Terms and Conditions (continued):

(2) Renewable Owners shall fund the bill credits provided to the eligible residential customers by paying an annual Program Fee of five hundred dollars ($500) per MW nameplate capacity for solar generation facilities and one thousand dollars ($1,000) per MW nameplate capacity for wind generation facilities.

(3) The annual Program Fee will be based on the generator nameplate capacity of the MRE Facility. Storage system facilities that may be attached to the MRE Facility shall not be included in the calculation of the annual Program Fee.

(4) The Program Fee shall be paid to the Authority by December 1 of each year for ten (10) years, beginning with the year in which the MRE Facility begins operations.

(5) The Renewable Owner shall identify the MRE Facility associated with the Program Fee, and the town(s) and/or city(ies) within which the MRE Facility is sited.

(6) The HCB Program does not apply to renewable generation facilities with capacity of 25 MW or greater based on contracts with NYSERDA for RECs arising from NYSERDA solicitations issued prior to April 3, 2020.

e) Bill Credit

(1) The Authority shall provide annual bill credits to eligible residential customers located in a Renewable Host Community equal to the Program Fee paid by the Renewable Owner, less an administrative fee of 0.05%, divided by the eligible Residential Customer for the upcoming credit year.

(2) The Authority shall identify the residential customers located in the Renewable Host Community and their accounts. The Authority will disburse the bill credit on an applicable Residential Customer’s first electric bill of the following calendar year.

(3) The Authority shall provide the annual bill credit for ten years for each MRE Facility, beginning in the first calendar year after the MRE Facility becomes operational.

(4) The annual bill credit shall be applied equally to residential customers located within the Renewable Host Community.

(5) If more than one (1) MRE Facility is located within the same Renewable Host Community, residential customers in such Renewable Host Community will receive a credit for each MRE Facility.

(6) The annual bill credit shall be provided on the later of: (1) the first electric bill of the calendar year; or (2) the first electric bill as soon as practicable after the receipt of the annual payment by the Authority from the MRE Facility.

(7) The annual bill credit shall be applied to an eligible Customer’s bill after all other adjustments have been made.

I. General Information (continued):

C. General Terms and Conditions (continued):

(8) If there are any remaining bill credits after applying the annual bill credit to the Customer's first billing period, the remaining credit shall be applied to subsequent months' bills, after all other adjustments, until the bill credit is exhausted.

(9) Any remaining bill credits at the end of a calendar year shall be allowed to roll over to the subsequent year.

(10) If a Customer discontinues service and there is a remaining credit balance on the account, the Authority shall provide the amount of any remaining credit balance by check. The credit balance will not accrue interest.

(11) If there is a new residential customer that moves in to an eligible residence, the Customer of record as of the first billing period of the calendar year will be entitled to the full annual bill credit for the calendar year. The bill credit shall stay with the Customer of record as of the first billing period of the calendar year in the case of an account transfer or will be disbursed to that customer in the event the customer discontinues service as described above.

(a) For the eligible residence, the new Customer shall begin receiving the bill credit in the next annual bill credit implementation cycle and will not receive a proration of the bill credit for that HCB Program year.

(12) If an MRE Facility is located in one or more Renewable Host Communities served by multiple utilities, the Authority will coordinate with the other utility to ensure each eligible Customer receives the same bill credit amount for such MRE Facility in total.

(13) The costs shall be tracked separately and reconciled with revenues collected for the HCB Program on an annual basis. Any over/under disbursement of the credits compared to the payments available will be included in the next year's credit calculation.

I. General Information (continued):

C. General Terms and Conditions (continued):

25. Integrated Energy Data Resource Liability

LIPA may provide non-anonymized and non-aggregated customer-specific data to the State's Integrated Energy Data Resource (IEDR) consistent with the New York Public Service Commission's Order Addressing Integrated Energy Data Resource Matters issued on October 13, 2023, in Case 20-M-0082. If such data is improperly released from the IEDR as the result of a cyber-related incident, or inadvertently disclosed by the IEDR administrator or its agents or contractors due to an operational error, or maliciously disclosed by the IEDR administrator or its agents or contractors, LIPA will not be liable for such release or disclosure. Consistent with the Commission's policies regarding data ownership, the customer (not the utility) is the owner of the customer's data.

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.

I. General Information (continued):

C. General Terms and Conditions (continued):

27. New York State Energy Affordability Guarantee Pilot Program (EAG Pilot)

The EAG Pilot offers an energy guarantee to certain Customers in the form of a bill credit to households that receive electrification upgrades through the New York State Energy Research Development Authority's (NYSERDA) EmPower Plus (EmPower+) Program. Department of Public Service (DPS) Staff shall work with its third-party implementation contractor (DPS Implementation Contractor) to calculate the credit for the participant, provide the participant's bill credit information to the Authority, and the Authority will apply the credit, if any, to the participant's bill. Any dispute resolution that requires an adjustment to the customer's bill will be provided to customers in a subsequent billing period.

a) Eligibility

Participants in the EAG Pilot must meet the following eligibility requirements:

(1) The participant must be enrolled in the Authority's Low Income Program Discount and NYSERDA's EmPower+ Program as a prerequisite to participate in the EAG Pilot. The participant must complete and sign the EAG Pilot application (Application) with the DPS Implementation Contractor. The Application will include customer consent to allow the Authority to provide the Customer's data to the DPS Implementation Contractor. A participant who becomes unenrolled from the Low Income Program Discount following their enrollment in the EAG Pilot may continue participation in the EAG Pilot subject to the requirements specified herein.

(2) The Customer's premise must be electrified, meaning the participant's space and water heating will be provided exclusively by heat pumps through the EmPower Plus Program.

(3) Participant enrollments will be reviewed and approved by the DPS Implementation Contractor. Participant enrollments in the EAG Pilot will be limited consistent with the New York State Public Service Commission's Order dated August 15, 2025 in Case 14-M-0565 (PSC Guarantee Order).

(4) Participants are required to provide household income documentation on an annual basis to the DPS Implementation Contractor, within a two (2) month grace period, in accordance with the Application, for use in calculating the Guarantee Credit, as specified below.

(5) Customers may participate in the EAG Pilot while participating in Balanced or Budget Billing with the Authority, subject to meeting any other eligibility requirements of the EAG Pilot specified in the Application and herein.

I. General Information (continued):

C. General Terms and Conditions (continued):
New York State Energy Affordability Guarantee Pilot Program (EAG Pilot) (continued):

b) The Guarantee

(1) Guarantee Credit

(a) A Guarantee Credit will be calculated monthly for each participant, by the DPS Implementation Contractor in accordance with the PSC Guarantee Order. Customers experiencing an electricity bill, net of any applicable low income discounts or bill credits the participant receives in that bill, in excess of six percent (6%) of their household income will receive a monthly Guarantee Credit.

(b) Consistent with the PSC Guarantee Order, the determination of the Guarantee Credit will include a cap based on electricity consumption, which will be set at one hundred fifty percent (150%) of the average electricity consumption for Qualifying Low Income Rate 580 Customers as calculated by the DPS Implementation Contractor. For a participant whose consumption exceeds the cap, any energy consumption above the cap will not receive a Guarantee Credit for the usage above the cap during that month.

(2) Transferability of the Guarantee

In the event that a participant moves from a premise that had been electrified through the EmPower+ Program, the Guarantee may be transferred to the new Customer at the premise, subject to the new Customer meeting the eligibility requirements of the EAG Pilot as determined by the DPS Implementation Contractor. The DPS Implementation Contractor will be responsible for notifying the new occupant about the EAG Pilot, verifying eligibility, and enrolling the new occupant in the EAG Pilot, if such occupant otherwise meets eligibility requirements, when changes in occupancy occur.

(3) Term of the Guarantee

Consistent with the PSC Guarantee Order and unless amended or superseded by the Commission, the participant will receive the Guarantee Credit for up to a maximum of 15 years, subject to participation in the EAG Pilot ending prior to the full term when any of the following occurs:

(a) If the participant moves from the premise that had been electrified through EmPower+; or

(b) The life of the heat pump(s) installed through EmPower+ as a pre-requisite to EAG Pilot participation ends prior to the full term; or

(c) The participant requests to be removed from the EAG Pilot; or

(d) The participant fails to provide the required annual household income documentation as specified in the Application and as determined by the DPS Implementation Contractor.

(e) The DPS Implementation Contractor will determine when participation in the Guarantee Pilot ends and will notify the Authority accordingly.

II. How to Obtain Service:

A. Residential Application Procedure:

1. Forms of Residential Application

   A residential service application may be oral or written.

2. Residential Application Approval

   If the residential application is approved, service will begin within five (5) business days (See D.1. below) of receipt of a completed oral or written application, unless the Applicant wants service to begin at a later date.

3. Required Oral Application Information

   The Authority will provide service when a Residential Applicant provides their:

   a) Name
   b) Address
   c) Telephone number
   d) Address of prior account (if any)
   e) Prior account number (if any)

   unless Exceptions to Provision of Service apply.

4. Exceptions to Provision of Residential Service

   a) The Authority does not have to provide service to an Applicant who has an unpaid balance for residential service provided to a prior account in their name unless:

      (1) The Applicant makes full payment of the owed balance, or

      (2) The Applicant agrees to a Deferred Payment Plan for the owed balance, or

      (3) The Applicant has a pending billing dispute, but pays the undisputed balance, or

      (4) The Applicant's arrears will be paid by the local social services commissioner, and future payments will be guaranteed by the local social services commissioner up to the limits by the Social Services Law.

   b) The Authority does not have to provide service to an Applicant for seasonal or short-term service who has not posted the required deposit.

II. How to Obtain Service (continued):

A. Residential Application Procedure (continued):

5. Conditions for Requiring a Written Application

   a) The Residential Applicant may have to complete a written application form provided by the Authority if, at the address for which the Applicant wants service:

      (1) There are arrears at the premises to be served.

      (2) Service was terminated, disconnected or suspended for nonpayment.

      (3) Service is under a final notice of termination.

      (4) There is evidence of meter tampering or theft of service.

      (5) The meter has advanced, and there is no customer of record.

      (6) Service is provided from a line installed under a Surcharge Agreement Plan.

   b) The Applicant may have to complete a written application form provided by the Authority if the application is made by a third-party on behalf of the person(s) who would receive service.

6. Notification for Requiring a Written Application

   If a written application for residential service is required, the Authority will:

   a) Contact the applicant orally.

   b) If the Authority is unable to contact the applicant orally, then the Authority will notify the applicant in writing within two (2) business days of the application for service.

   c) State the reasons for needing a written application.

7. Required Written Application Information

   A written application is incomplete unless the following information is provided by the Applicant:

   a) Name, address, telephone number, address of prior account (if any), prior account number (if any).

   b) Reasonable proof of the Applicant's identity. This may consist of a driver's license, a credit card, social security card, etc.

   c) Reasonable proof of the date the Applicant became responsible for service at the address to be serviced. This may consist of a copy of a lease, deed, bill of sale, etc.

II. How to Obtain Service (continued):

B. Nonresidential Application Procedure:

1. Form of Application

   A Nonresidential service application is a written application.

   a) Nonresidential Applicants (See *Customer - Nonresidential*) shall file a written application for the class of service desired on the form supplied by the Authority. A description of the Service Classifications that apply will be provided with the application form.

   b) Nonresidential Applicants shall file separate written applications for each electric meter at each business, building, or location for which electric service is desired.

2. Nonresidential Application Approval

   If the application is approved, service will begin within ten (10) calendar days of receipt of a completed application, unless the Applicant wants service to begin at a later date. (See D.1.)

3. Required Written Application Information

   The Authority may require any or all of the following information:

   a) Reasonable proof of the Applicant's identity. This may consist of a driver's license, credit card, social security card or similar document.

   b) Reasonable proof of the Applicant's responsibility for the premises as either the owner or occupant. This may consist of a copy of a lease, deed, bill of sale, or similar document.

   c) Accurate information on the Applicant's type of business, type of equipment on the premises, and the estimated power requirements.

   d) A request for the most suitable Service Classification for the intended use of electric service at the premises.

      (1) The Authority will help the Applicant choose the Service Classification which is most appropriate for the Applicant's current needs, based on the information provided by the Applicant.

      (2) Outside of contracted or negotiated rates, the Authority does not provide any guarantee of the Applicant's future rates, Service Classifications, or conditions for service, or that the Service Classification chosen by the Applicant will continue to be the most appropriate for the Applicant’s service requirements in the future.

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. Notarization may be required.

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 the 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):

C. Denial-of-Service Procedure:

1. Time Frame For Denial of Service

   a) A residential application for service is considered denied if the application is not approved by the Authority within three (3) business days from the date the completed application was received.

   b) Nonresidential service is considered denied if the application is not approved by the Authority within ten (10) calendar days from the date the completed application is received.

2. Notification to Applicant

   a) If the Authority denies residential service to an Applicant, it will notify the Applicant verbally and in writing:

      (1) Verbal Notification - As soon as the Applicant can be contacted.

      (2) Written Notification - Within three (3) business days from the date the application was received.

   b) If the Authority denies service to a nonresidential applicant, the written notification will be:

      (1) Delivered personally to the Applicant, or

      (2) Sent to the Applicant's present business address or other mailing address listed on the application.

3. Contents of the Written Notification

   The written notification will:

   a) Give the reason(s) for denial of service.

   b) Specify what the Applicant must do to be approved for service.

   c) Advise the Applicant that they may file a complaint in accordance with the provisions of the Tariff regarding the denial of service.

II. How to Obtain Service (continued):

C. Denial-of-Service Procedure (continued):

4. Record-Keeping Obligations of the Authority

The Authority will keep on file, for at least one (1) year, records of oral and written applications for service that were denied. The records will include:

a) Name and address of Applicant.

b) Date of application.

c) Name(s) of Authority personnel who denied the application.

d) The Authority's written notice of denial, if applicable.

5. Reversing a Denied Application

Approval for an application for service that has been denied may be obtained if:

a) The reasons for denial of service are corrected, or

b) As a result of a complaint, the Department of Public Service directs that service be supplied.

6. Service For a Previously Denied Application

a) If either condition in C.5. above is met, service to a Residential Applicant with a previously denied application will begin within two (2) business days of the approval of the application, unless the Applicant requests that service begin at a later date.

b) If a Nonresidential Applicant has been denied service entirely because of unpaid balances, and pays these balances in full, the Authority will provide service:

(1) either within three (3) business days of the payment, or

(2) within ten (10) calendar days of receiving the original application, whichever is later, or

(3) on a later date at the Applicant's request.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants:

1. Application Processing and Providing Service

The Authority will complete the application process and provide service within five (5) business days of receiving and approving a completed oral or written request for service, unless prevented by one or more of the following conditions:

a) Labor strikes and work stoppages.
b) Public safety concerns.
c) Unfavorable weather conditions.
d) Inability to enter the premises.
e) Incomplete construction of necessary facilities by the Applicant or inspection of these facilities by the proper authorities.
f) Incomplete construction of necessary facilities by the Authority.

2. Notification Obligations of the Authority

a) Annual Notification of Rights of Residential Customers

When service first begins, and annually from that point, the Authority will provide Residential Customers with a summary of their rights, protections and obligations under the Tariff. The summary will include:

(1) How complaints are handled by the Authority.

(2) The rights and obligations of Residential Customers relating to payment of bills, termination of service, and reconnection of service.

(3) A description of the special protections available to:

(a) The elderly.
(b) The blind and disabled.
(c) Persons with medical emergencies.
(d) Persons receiving public assistance, supplemental security income benefit, or additional State payments.
(e) Persons in two-family dwellings.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):
Notification Obligations of the Authority (continued):

(4) A request that Residential Customers inform the Authority if they are elderly, blind, or disabled. Such Customers are eligible for special protections if the termination of their service would cause impairment to their health or safety.

(5) The right of a Customer to select a third-party to receive copies of all notices about termination of service and other credit notices.

(6) The suitable forms for Customers claiming protection under 3. c, d, or e above to fill out and return.

(7) A description of the Customers' rights in regard to Deferred Payment Agreements and security deposits.

(8) A description of the Authority's Budget or Balanced Billing Plans.

b) Bill Information in Non-English Language for Residential Customers

If the Authority provides service to a county where, by the latest Federal census, 20 percent of the population speaks a language other than English, then:

(1) The Authority shall notify the Residential Customers of that county, annually, of their right to have the messages on their bills and other notices in both English and the other language.

(2) Residential Customers in that county may request that the messages on their bills and other notices be in both English and the other language.

c) "Service Billed to Your Home" Notice

The Authority will send this Notice to the Customer when service begins and then annually. The Notice explains that:

(1) Tenants do not have to pay for service that is not used in their homes but is registered on their meters.

(2) The Authority will supply a summary of the law upon request.

(3) The Authority will investigate possible violations of the law upon request.

(4) The Authority will provide a written report of the investigation and make any billing changes necessary.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):
Notification Obligations of the Authority (continued):

d) Readability and Format of Notices to Residential and Nonresidential Customers

The Authority shall write all notices, brochures, forms, and bills required under the Tariff, and any other written informational material for Customers, in plain language. The Authority shall also print this information in a format and type size that is clear and easy to read.

e) Annual Notification of Rights of Nonresidential Customers

At the time of application, and annually after service begins, the Authority shall provide:

(1) A brochure containing a detailed summary of Applicants' and Customers' rights and obligations under the Tariff.

(2) A notice describing the commonly used Nonresidential Service Classifications and their rates.

(3) An offer of guidelines for qualifying for the Authority's different Service Classifications.

(4) A notice that the Customer can review the Authority's Tariff at any business office.

f) Annual Notification of NYSERDA Loan Installment Charges to Residential and Nonresidential Customers

The Authority shall provide annually in the Customer’s bill the following information received from NYSERDA:

(1) The amount and duration of remaining installments on the NYSERDA Loan;

(2) The NYSERDA contact information and complaint handling procedures on the NYSERDA Loan.

3. Periodic Notifications to Nonresidential Customers

(1) Annual Deposit Report showing:

(a) Interest earned during the current year, and

(b) The date the deposit was obtained or how long it has been held.

(2) Annual Notice to Non-Demand Customers explaining:

(a) That an increase in their usage might require the installation of demand meters for billing purposes;

(b) That Customers might have to make changes to their electric installations.

(3) Annual Service Classification Notice to Demand-Billed Customers explaining how changes in their demands might change their Service Classifications.

II. How to Obtain Service (continued):
D. General Obligations of the Authority and Applicants (continued):
Periodic Notifications to Nonresidential Customers (continued):

(4) Notice of a change of the Customer's Service Classification will:

(a) Be given when the change is made, and

(b) Give the reason for the change.

(5) If the Authority is unable to gain access to the Customer's meter, the Authority will send a Notice to the Customer with the second estimated bill, stating:

(a) The Customer has an obligation to tell the Authority who controls access, and

(b) Who, on the Authority records, is listed as having control of access to the Customer's meter, and

(c) If the Authority's records are incorrect, request the name of the Access Controller, or

(d) The Customer may receive future notices and penalties.

(6) Notice explaining the Authority's right to revise estimated demand charges when access is unavailable. This Notice shall be sent annually to every demand-billed Customer, be enclosed in estimated demand bills, and explain that:

(a) The revised estimation of the demand charges may be unfavorable to the Customer, and

(b) That the Customer can avoid the revised estimation of the demand charges by arranging access to the meter.

4. Unusual Conditions

The Authority may approve special arrangements when these unusual conditions exist:

a) Uncertain Period of Service
The Customer cannot assure the Authority that the use of the service will be reasonably permanent.

b) Excessive Cost of Construction
The estimated cost per foot of a particular installation, because of unusual circumstances, is more than twice the Authority's average cost per foot.

c) A Nonresidential Applicant requesting service at the Sub/Transmission Service Level (at or above 23,000 volts) will be required to enter into an Interconnection Agreement (IA). The IA will include but not be limited to clauses that address the Interconnection of the customer, Ownership, Design of Interconnection Equipment, Operation and Maintenance of the Interconnection equipment, Inspection and Access Rights to customer owned property to service the Interconnection equipment, Events of Default/Termination, Indemnity of the utility for Customer-owned equipment, and Force Majeure/Planned outage notification requirements.

d) Special Cases
The conditions are not covered in the Authority's Tariff.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):

5. Applicant Payment Obligations

a) 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 NYSERDA 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.

e) 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).

f) 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.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):
Applicant Payment Obligations (continued):

(2) There is no direct cost to a Residential Applicant for the Applicant's connection to a line extension if:

(a) The footage needed by the Applicant, when added to the footage needed to serve all the other Applicants on the same extension, does not exceed the aggregate allowance, but

(b) The Applicant may be required to pay the additional costs if the Applicant requests construction not normally required to provide service.

(3) The Residential Applicant is responsible for the cost of a line extension that exceeds the aggregate allowance if that line extension serves only that Applicant.

(4) The Residential Applicant is responsible for a prorated share of the cost of a line extension that exceeds the aggregate allowance and is shared by other Applicants and Customers.

(a) The cost will be prorated by the number of Applicants or Customers sharing the line extension, except

(b) There is no cost to an Applicant for a line extension which goes past the point from which the Applicant receives service, if the line extension up to that point does not exceed the aggregate allowance.

(5) Responsible Non-residing and Nonresidential Applicants must pay for facilities that exceed the Authority's allowance before construction of the facilities.

6. Payment Options of the Residential Applicant For the Cost of Overhead or Underground Facilities in Excess of the Authority's Allowance

a) Payment in Full in Advance

The Applicant may choose to pay the full costs for facilities in excess of the Authority's allowance before construction of the facilities begins, or

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):
Payment Options of the Residential Applicant For the Cost of Overhead or Underground Facilities in Excess of the Authority's Allowance (continued):

b) Surcharge Agreements

The Applicant may choose to pay the costs for their share of facilities, including installations, materials, and private easements obtained by the Authority at the Applicant's request, through a Surcharge Agreement.

(1) A written Surcharge Agreement between the Applicant and the Authority covers a ten-year period.

(2) The Surcharge is the Applicant's share of costs for excess facilities times the Authority's weighted capital recovery factor. The capital recovery factor is computed from the following formula:

$[(i/m (1+i/m)^{nm}] / [(1+i/m)^{nm} -1]$, where

i = Authority's net financing costs (expressed as an annual percentage rate)
m = Number of payments in a given year
n = 10, the number of years in the surcharge period.

(3) The Applicant's payments, including interest to the Authority, are due annually or are prorated for each monthly or bimonthly billing period.

(4) The Applicant shall agree to inform any potential new owners of the surcharge detailed in the Surcharge Agreement because successor owners are responsible for continuing the Surcharge Agreement.

(5) The successor Customer shall continue to pay the surcharge even if the successor Customer was not told of the Surcharge Agreement by the previous owner.

(6) The Customer may choose, at any time in the Surcharge period, to pay the outstanding balance in a single payment. The outstanding balance is determined by using the following formula:

$P [1 - (i/m / (1 + i/m)^{nm} - 1)] s$, where

P = Original capital cost which Applicant is responsible for,
i = Authority's net financing costs (expressed as an annual percentage rate)
m = Number of payments in a given year,
n = 10, the number of years in the Surcharge period, and
s = Number of payments made in the Surcharge period.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):
Payment Options of the Residential Applicant For the Cost of Overhead or Underground Facilities in Excess of the Authority's Allowance (continued):

c) Customers who are paying a Surcharge for a line extension installed before December 22, 1993, may choose to convert the remaining balance to a ten-year Surcharge Agreement. The remaining balance is the difference in the cost of the original installation and amounts already paid by the Customers.

d) Surcharges for line extensions shall not apply or shall stop if:

(1) The length of the aggregated allowance for all Customers served on the extension equals or exceeds the length of the extension, or

(2) The estimated or actual total revenues from all Customers served from this line extension exceed 1.5 times the reasonable actual capital cost of the total extension in each of two (2) consecutive calendar years, or

(3) An Applicant cancels the Surcharge by paying the outstanding balance due without interest, or

(4) The total amounts paid equal or exceed the cost of the line extension which Customers are directly responsible for and which was installed prior to December 22, 1993.

7. Authority Obligations for Refunding Surcharge Payments

The Authority will give refunds or adjustments to Applicants, or their successors, who paid for or continue to pay for the original extension or an addition to the original extension, if:

a) Other Applicants then take service from the existing extension or from a new addition to the existing extension, and

b) These later Applicants take service from the existing extension or construction of its new addition within ten (10) years of the in-service date of the original extension.

c) Adjustments and refunds are based on recalculating the charges for the extension or its addition as though the new Applicant(s) took service at the time of construction of the original line extension or its addition.

d) Refunds cannot be greater than the principal amounts the individual original Applicants or their successors paid. No interest will be paid on refunds to Customers who paid lump sums or on overpayments of principal from Customers on Surcharge Agreements.

e) The original Applicants and their successors will not be responsible for any new extension needed to serve a new Applicant.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):

8. Construction Loan Agreements - Special Payment Conditions for Unusual Construction

a) The Authority will extend its facilities only if satisfactory arrangements have been made under a Construction Loan Agreement to reimburse the Authority for the investment and expense involved. Under the Agreement:

(1) The line extension is on private property with the potential to feed multiple Customers, and

(2) Payment is up front, and

(3) For up to a period of ten (10) years, the Authority will annually refund to the Customer one-half (1/2) of the Net Electric Revenue derived from the extension. All refunds will stop after ten (10) years. The refunds may end in less than ten (10) years if the Customer recovers the upfront payment sooner, and

(4) Net Electric Revenue is found by subtracting the following items from the total revenue:

(a) Tariff-published Power Supply Charge to the Authority

(b) Annual charge for electric service including payments in lieu of property tax on the allowance portion of the Authority's total construction costs

(c) Payments in lieu of property tax on the Construction Loan amount

b) The Applicant may file a complaint in accordance with the provisions of the Tariff regarding the fairness of the arrangement.

9. Payment for Temporary Service

a) Customers requiring temporary service or service for construction purposes shall pay in advance for the cost of constructing and removing temporary facilities, and

b) Customers will pay for service under the suitable Service Classification, but they do not have to meet the time requirements of the Service Classification.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):

10. Security Deposits

a) Conditions for Requiring Security Deposits from Residential Customers

(1) The Authority will not require a deposit from any new Residential Applicant, unless the Customer is defined in *a.*4 below.

(2) The Authority shall not ask for a deposit from a person it knows receives:

(a) Public assistance,
(b) Supplemental Security Income,
(c) Additional State payments, or who
(d) Is sixty-two (62) years old or older, unless the Authority terminated service to that Customer within the last six (6) months for nonpayment.

(3) The Authority may deny service to an Applicant who refuses to make a deposit.

(4) The Authority may require a deposit from a Customer who is Seasonal, Short-Term, or Delinquent.

(a) For purposes of obtaining a deposit a Seasonal Applicant is one who:

(1) Has no credit history with the Authority, and

(2) Will be living, for three (3) months or less, in a dwelling that is not the Applicant's principal residence, or

(3) Occupies a dwelling with an account history showing two (2) turn-offs within a three-month period.

(b) For purposes of obtaining a deposit, a Short-Term Applicant is one who requires service for less than one (1) year. The Authority will consider an account Short-Term and may request a deposit if the account history of the dwelling shows two (2) turn-offs within one (1) year.

(c) For purposes of obtaining a deposit, an Existing Customer is Delinquent if the Customer:

(1) Had service terminated because of nonpayment during the last six (6) months.

(2) Does not make a reasonable payment for two (2) months in a row. A reasonable payment is one half of the total amount owed.

(3) Does not make a reasonable payment on a bimonthly bill within fifty (50) days after the bill is due.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued): Security Deposits (continued):

b) Conditions for Requiring Security Deposits from Nonresidential Customers

(1) The Authority may require a security deposit from a Nonresidential Customer who:

(a) Is a New Nonresidential Customer as that term is defined in the Tariff.

(b) Is Delinquent. For purposes of this section, a Delinquent Customer has made two (2) or more late payments within the last twelve (12) months.

(c) The Authority believes may be unable to pay in the future, based on dependable information on the Customer's financial condition.

(d) Has filed for reorganization or bankruptcy.

(e) Has been given a backbill within the last twelve (12) months for service received through tampered equipment.

(f) Is a Short-Term or Temporary Customer.

(2) The Authority's request for a deposit or a deposit increase will be in writing and will tell the Nonresidential Customer:

(a) Why the deposit is being requested.

(b) How the amount of the deposit was computed.

(c) That the Authority may increase or decrease the deposit amount based on the Customer's future billing records.

(d) That the Customer may ask the Authority to review the size of the deposit.

(e) Conditions for refunding the deposit.

(f) That the Customer will receive an annual notice of the interest credited to the account.

(g) About alternatives to paying a deposit in cash.

(h) That an Existing Customer who is delinquent or in financial difficulties may pay the requested deposit in three (3) installments.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):
Security Deposits (continued):

c) Amount of Deposit from Residential Customers

(1) Residential Non-Space Heating Customers: The deposit shall be no more than twice the estimated average monthly bill for a calendar year.

(2) Residential Space-Heating Customers: The deposit shall be no more than twice the estimated average monthly bill for the heating season.

(3) Delinquent Residential Customers may pay the deposit in installments over twelve (12) months.

d) Amount of Deposit from Nonresidential Customers

(1) For Nonresidential Customers, the amount of deposit shall not be more than twice the cost of the Customer's average monthly usage, with the following exception.

(a) For those Customers whose usage varies widely (for example, space-heating or -cooling Customers, certain manufacturing and industrial processors), the amount of the deposit shall not be more than twice the cost of the average monthly usage for the peak season.

(2) For an Existing Customer with a billing history of twelve (12) or more months, the amount of the deposit will be based on the service used in the last twelve (12) months.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued): Security Deposits (continued):

(3) For a New Customer or an Existing Customer with a billing history of less than twelve (12) months, the amount of the deposit shall be based on one or more of the following, as available:

(a) The billing history of the Customer.

(b) The information the Customer gave in the application about the expected load and use of service.

(c) The information the Authority gathered in a load study of the premises.

(d) The billing history of the previous customer, if there has been no major changes in the load.

(4) The Authority will offer to allow an Existing Delinquent Customer or a Customer having financial difficulties to pay the deposit in three (3) installments: 50 percent down and two (2) equal monthly payments of the balance.

(5) Deposit Alternatives

(a) The Authority may accept deposits other than cash, but these alternative deposits must be as secure as cash: irrevocable bank letters of credit or surety bonds.

(b) The Authority may allow the Customer, instead of paying a deposit, to:
(1) Promise, in writing, to pay bills upon receiving them, and
(2) Give up the right, in writing, to not be sent a final termination notice until one hundred and twenty (120) days after payment is due.

e) Customer Disputes of Deposit Amount

(1) A new Applicant may file a complaint in accordance with the provisions of the Tariff about the amount of the deposit the Authority is requesting.

(2) Until the complaint is resolved, the Authority shall supply service to the Applicant, if the Applicant:

(a) Pays for current service.

(b) Pays that amount of the deposit that is not being questioned.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued): Security Deposits (continued):

f) Written Notification to Delinquent Residential Customers

(1) The Authority shall send a written notice to a Delinquent Residential Customer stating that it may require a deposit from the Customer if the Customer does not pay the amount due.

(2) The Authority shall send the notice to the Customer twenty (20) days before it intends to ask for the deposit.

(3) The Authority will ask for the deposit, in writing, within two (2) months of the Customer's nonpayment.

g) Circular Containing Terms of Deposit

(1) The Authority shall give a summary of deposit information when it first asks the Residential Customer or Residential Applicant for a deposit.

(2) The summary or circular shall be displayed and available in each business office open to consumers.

h) Deposit Receipt

The Authority shall give a receipt to every Customer who pays a deposit. The receipt will show the date, the account number, the amount received, the form of payment, an explanation of the payment of interest on the deposit, and a notice that the receipt cannot be sold or transferred.

i) Deposit Review for Nonresidential Customers

(1) The Authority will review the billing history of every Nonresidential Customer who has paid a deposit:

(a) On the first anniversary of receiving the deposit, and

(b) Every two (2) years after the first year, or

(c) At any other time the Authority chooses.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued): Security Deposits (continued):

(2) If the Deposit Review shows that the amount on deposit is at least 25 percent less than the Authority can require, the Authority may ask the Customer to pay the additional amount.

(3) If the Deposit Review shows that the amount on deposit is at least 25 percent more than the Authority can require, the Authority will refund the excess deposit to the Customer.

(4) If a Customer requests that the deposit amount be lowered, the Authority will refund any excess deposit to the Customer if the request is supported by:

(a) The Customer's billing history, and

(b) A permanent, documented change in load and usage

j) Interest on Deposits

(1) The Authority will pay interest on deposits at rates set by the Authority.

(2) Interest is paid to the Customer when the deposit:

(a) Is returned to the Customer, or

(b) Has been held for one (1) year or more. At that time, the Authority will credit the interest no later than on the first bill presented after the next first day of October and on succeeding anniversaries.

(3) Interest is paid on the deposit until the day it is credited to an account or a refund check is issued.

(4) If part of the deposit is credited and part is refunded, the interest will be paid on each part until the day of credit or refund.

k) Return of Deposits

(1) The Authority will refund the deposit, with interest, to a Residential Customer who has not been delinquent in payment for one (1) year.

(2) The Authority may ask for a new deposit if the Residential Customer is delinquent in payment in the future.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued): Security Deposits (continued):

(3) For Nonresidential Customers, the Authority shall return full or partial deposits, with interest, to the Customer within thirty (30) days after any of the following events occur:

(a) The account is closed,

(b) The issue date of the Customer's first cycle bill sent after the Customer has paid their bills on time for a three-year period, unless provisions of Section D.10.b apply. In that case, the deposit will be updated and extended for another three (3) years.

(c) A Deposit Review shows that the deposit should be reduced.

(4) For Nonresidential Customers, the deposit is returned by crediting:

(a) The account the deposit secured against outstanding charges, or

(b) The account the deposit secured in the amount of the next estimated cycle bill, if that applies, or

(c) An unsecured account of the Customer's that is in arrears.

(5) The Authority will issue a check to the Nonresidential Customer if a balance remains after the credits in D.10.I.4. above have been made unless the deposit is being returned per D.10.I.3.

11. Applicant Wiring and Equipment Obligations

a) The Applicant shall install and pay for the wiring, switches, and fixtures needed to receive service.

b) The Applicant should obtain definite information from the Authority about the approved types of equipment needed for the requested service.

c) The Applicant may request a booklet the Authority publishes, *Specifications and Requirements for Electric Installations*, which details the Authority's approved:

(1) Methods of electric installation.

(2) Types of equipment.

(3) Types of voltages provided.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):
Applicant Wiring and Equipment Obligations (continued):

d) The Authority will not supply service if the Applicant's equipment or method of installation does not meet its standards or those of any governmental authority involved.

e) The Applicant shall use the electricity only for the approved equipment.

f) The Customer shall notify the Authority before making any major additions to or changes in the electric equipment.

g) A Customer who requires service at 2,400 volts or more must supply and pay for all necessary:

(1) Authority-approved type and make of transformers and associated equipment.

(2) Buildings for housing transformers and metering equipment that shall meet the Authority's standards.

(3) Wiring to deliver electricity all through the premises.

h) All wiring and electrical equipment installed by the Applicant must meet the requirements of:

(1) The National Electrical Code (NEC), and

(2) Governmental or other inspection agencies, and

(3) The Specifications and Requirements for Electric Installations of the Authority.

i) The Authority may ask the Applicant to apply for, pay for, and provide Certificates regarding 11.h. above, showing that the wiring and installations meet these standards.

j) If changes are required, the Authority may ask the Applicant to provide new Certification(s) showing that the changes have met the standards of 11.h above and/or the Authority may reinspect to confirm that the requested changes have been made.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued):

12. Customer Electric Usage Obligations

a) The Customer shall use electricity at a Power Factor of 90 percent or greater.

b) If the equipment of a Nonresidential Customer, served at or above the primary voltage level, operates so that the kilovolt-amperes of lagging Reactive Power is more than 48 percent of Real Power:

(1) For any 15-minute interval,

(2) In the hours between 7:00 a.m. and 11:00 p.m.,

(3) During a 30-day period, the Customer shall agree to either:

(a) Purchase, install, and maintain power-factor-corrective equipment, approved by the Authority, on the low-voltage side of the Customer's facility, or

(b) Pay a monthly Reactive Power charge, plus the total investment cost of additional installed metering equipment.

(1) The Customer may pay for the metering equipment up front or through a monthly charge equal to one-twelfth (1/12) the annual charge.

(2) The annual charge is the total investment cost of the metering equipment times an annual carrying charge rate. The carrying charge includes principle and interest payments on the Authority’s outstanding debt, based on the Net Financing Cost of the Authority.

13. Increased Power Usage and Additional Service Lines

a) Advance Notice to the Authority

(1) The Customer shall give the Authority reasonable advance notice, in writing, of any intended increase in power usage.

(2) The notice to the Authority should contain the amount of energy (kWh), the level of Peak Power (kW), the voltage being requested, and the expected length of time that the increased power will be needed.

(3) The Customer shall give the Authority reasonable advance notice, in writing, when requesting more service lines to the same property than are needed to provide service currently.

II. How to Obtain Service (continued):

D. General Obligations of the Authority and Applicants (continued): Increased Power Usage and Additional Service Lines (continued):

b) Payment for Increased Power Usage and Additional Service Lines

(1) The Customer will pay in advance for the additional costs to supply the increased power, unless an analysis of the Customer's Adjusted Electric Revenues for the increased power shows that it will cover the Authority's additional costs.

(2) The Customer will pay in advance for the cost of all additional service lines requested, but not currently needed to provide service.

(3) Nonresidential and Non-Residing Customers who are given additional Allowances must give the Authority a Surety Bond equal to the cost of the additional allowances.

(a) The Customer must deliver the bond to the Authority before construction of any facilities begins.

(b) The bond ensures that the Customer will remain a Full-Requirements Customer of the Authority for at least five (5) years. The bond will be canceled after five (5) years.

14. Minimum Insulation Standards for Residential Buildings

a) The Authority will supply electric service to be used for heating to a new or existing residence if the residence meets the minimum insulation standards in the Authority's *Specifications and Requirements for Electric Installations*.

b) The Authority will supply expanded service to be used for heating to an existing residence if the Applicant gives the Authority a Certificate of compliance with the minimum insulation standards.

c) Copies of the minimum insulation standards and the Certificate of compliance forms are available at Authority offices open to the general public.

III. Overhead and Underground Distribution of Electricity:

A. Overhead Distribution of Electricity in an Existing Overhead Area:

1. Obligations of the Authority Without Direct Cost to the Customer

a) General Obligations

Whether its facilities are located on a public or private Right-of-Way, or on private property, the Authority will:

(1) Make all construction decisions and connections to the Customer's electrical system, and

(2) Own, operate, and maintain the facilities, and

(3) Reconstruct or replace the facilities when the Authority believes it is necessary, and

(4) Remove facilities that are no longer required, at the Customer's request, at Cost, to be borne by the Customer.

b) Exception:

The Authority may not extend service if the Applicant's property does not border on or have access to a Public Right-of-Way (not including a Controlled-Access Highway) unless special arrangements can be made.

c) Specific Obligations of the Authority Without Direct Cost to the Single Customer and to Minor Subdivisions

The Authority will:

(1) Furnish all materials, and

(2) Obtain and pay for the use of Public Right-of-Ways, and

(3) Install up to five hundred (500) feet of a single-phase, or up to three hundred (300) feet of a multi-phase overhead distribution line extension, and

(4) For a Residential Customer, supply up to one hundred (100) feet of an overhead service lateral measured from a convenient point on the local distribution system to each dwelling that is separately metered.

III. Overhead and Underground Distribution of Electricity (continued):

A. Overhead Distribution of Electricity in an Existing Overhead Area (continued): Obligations of the Authority Without Direct Cost to the Customer (continued):

(5) Provide additional lengths of distribution facilities, installed under normal construction standards, without cost to the Customer:

(a) If an analysis of the Customer's Adjusted Electric Revenues for the increased power shows that it will cover the Authority's additional Cost, and

(b) If the Customer gives the Authority a Surety Bond. (See II.D.10.*b*.).

2. Obligations of the Applicants for Receiving Overhead Distribution of Electricity

a) General Obligations

(1) See II.D.

b) Wiring and Equipment Obligations

All Applicants who require overhead line extensions shall:

(1) Meet the conditions in II.D.11. on wiring and equipment obligations, and

(2) Install the service point of attachment on an outside wall of the building at a convenient height and location for the Authority to connect the service lateral securely, and

(3) Not make connections to the Authority's service lateral, or the Authority may discontinue service immediately to the Customer.

c) Installation of Transformers and Other Equipment on the Applicant's Site

If the Applicant's service requires the installation of transformers and other equipment at the Applicant's site, the Applicant, at no cost to the Authority, shall:

(1) Provide a suitable enclosed or guarded area or transformer vault constructed to the Authority's specifications and located at an approved site, and

(2) Agree to allow the Authority the use of the enclosed transformer area and equipment to supply service to other Customers, and

(3) Provide access to the Authority at all times to the transformers, poles, and other equipment.

III. Overhead and Underground Distribution of Electricity (continued):

A. Overhead Distribution of Electricity in an Existing Overhead Area (continued): Obligations of the Applicants for Receiving Overhead Distribution of Electricity (continued):

d) Relocation of Poles, Lines, and Equipment

If a Customer requests the relocation of poles, service lines, and other equipment, the Authority will charge the Customer at Cost for the work.

e) Tree Trimming

The Customer shall permit trees to be trimmed for proper clearance for the Authority's equipment.

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity

1. Underground Service to Residential Applicants in an Underground-Designated Area

   The Authority will provide or contribute to the cost of new underground service to:

   a) Residential Applicants if a governmental authority having jurisdiction requires underground service, and

   b) Residential Applicants in a new single dwelling.

2. Underground Service in an Existing Overhead Area

   When a governmental authority having jurisdiction does not require underground service, and unless undergrounding is requested by the Applicant,

   a) The Authority will decide whether or not to place line extensions underground on public highways or private property based on the economic, engineering and environmental factors present, and

   b) The Authority may not be responsible for providing or contributing to the cost of new underground service to Residential Applicants if:

      (1) The Authority or the Applicant believes that undergrounding would negatively affect the appearance or environment of the site.

      (2) The Applicant requests that any service lateral in excess of the underground allowance be constructed overhead.

   c) The Authority may provide electric service to new Applicants in a subdivision through overhead service lines from an existing overhead distribution system.

   d) The Authority may provide overhead electric service to an entire residential subdivision if:

      (1) The line extension would extend no more than six hundred (600) feet into a dead-end street that has an overhead system located on it or at its entrance, or

      (2) The connection between existing overhead systems would be less than one thousand two hundred (1,200) feet.

   e) The Authority may connect an existing overhead distribution line to a proposed underground distribution line in the subdivision with a one-pole extension, such as an extension to cross a road.

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):
Underground Service in an Existing Overhead Area (continued):

f) The Authority may provide overhead electrical service if the Authority has reason to believe that the residential subdivision will not be developed within the next five (5) years. The Authority will consider the economic, engineering, and environmental factors present in making a decision.

3. Obligations of the Authority Without Direct Cost to the Residential Customer

a) General Obligations

When distribution lines are located on a public or private Right-of-Way, the Authority will:

(1) Obtain and pay for the use of public or private Right-of-Way, and

(2) Make all construction and connection decisions, and

(3) Construct, own, operate, and maintain all facilities, including cables and conduits, up to the Applicant's point of attachment, based on the allowances stated in 3.*c.* below, and

(4) Reconstruct or replace these facilities when the Authority believes it is necessary.

b) Measurement of the Allowance

The lengths of the allowance, given in 3.*c.* below, are measured from the Authority's existing electric system. For an overhead system, the measurement begins at the base of the riser pole and ends at the Applicant's meter or other point of attachment.

c) Distribution Facilities' Allowances to Applicants in an Underground-Designated Area

(1) For Single Residences

The Authority will:

(a) Provide all materials, and

(b) Obtain and pay for the use of Public Right-of-Ways, and

(c) Install up to one hundred (100) feet of underground distribution facilities, and

(d) If needed, provide and install the cable and conduit between the base of the riser pole and the distribution line on the pole.

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):
Obligations of the Authority Without Direct Cost to the Residential Customer (continued):

(2) For Multiple Dwellings

The Authority will:

(a) Provide all materials, and

(b) Obtain and pay for the use of Public Right-of-Ways, and

(c) Install up to one hundred (100) feet of underground distribution facilities times the average number of dwelling units on each floor of the building, and

(d) If needed, provide and install the cable and conduit between the base of the riser pole and the distribution line on the pole.

d) Installation of Underground Supply Lines, Line Extensions, and Service Laterals in an Underground-Designated Area

(1) Installation by the Authority

(a) The Authority will install all underground supply lines not on private property, line extensions and service laterals in an underground-designated area up to the property line, unless

(1) The Applicant's allowance is greater than this distance, then

(2) The Authority will install the service lateral to an Authority-approved meter location.

(3) The Authority will own and maintain this service lateral.

(b) The Authority will replace or relocate Authority-owned service laterals on private property at the Customer's request, at Cost, to be borne by the Customer.

(2) Installation by the Applicant

(a) If an Applicant installs the service lateral from the property line, the installation must meet the Authority's specifications, and

(b) The Authority may choose to own, operate, and maintain this lateral.

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):
Obligations of the Authority Without Direct Cost to the Residential Customer (continued):

e) Distribution Facilities' Allowances to Applicants in an Existing Overhead Area

(1) The Authority will install underground distribution facilities at the Applicant's request. The Applicant will receive a cost allowance equal to the allowance for overhead construction.

(2) If the Applicant chooses to install the underground distribution facilities, the Authority will give the Applicant a cost allowance equal to the allowance for overhead construction.

4. Underground Service to Nonresidential Applicants

The Authority will provide underground service to Nonresidential Applicants if:

a) The Authority decides to undertake the underground construction based on economic, engineering, and environmental factors present, or

b) A governmental authority having jurisdiction requires underground service, or

c) The Applicant requests underground service, in writing.

5. Obligations of the Authority For Underground Distribution Facilities Without Direct Cost to the Nonresidential Customer

a) Authority-Designated Underground Service

When the Authority decides to provide underground service, the Authority will bear all necessary material and installation costs which are greater than the amount the Applicant would have paid if the facilities were installed overhead.

b) Government-Required Underground Service
When a governmental authority having jurisdiction requires underground service in an Existing Overhead Area, the Authority will bear the material and installation costs equal to the allowance to Nonresidential Applicants for overhead construction.

c) Requested Underground Service
When a Nonresidential Applicant in an Existing Overhead Area requests underground service, the Authority will bear the material and installation costs equal to the allowance to the Applicant for overhead construction.

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):

Obligations of the Authority for Underground Distribution Facilities Without Direct Cost to the Nonresidential Customer (continued):

d) When distribution lines are located on a public or private Right-of-Way, the Authority will:

(1) Obtain and pay for the use of public and private Right-of-Ways, and

(2) Make all construction and connection decisions, and

(3) Construct, own, operate, and maintain all lines, including cables and conduits, up to the Applicant's property line, based on the allowances stated in 5.f below, and

(4) Reconstruct or replace these facilities when the Authority believes it is necessary.

e) Measurement of the Allowance

The lengths of the allowance, given in 5.f below, are measured from the Authority's existing electric system. The measurement begins at the base of the riser pole.

f) Distribution Facilities' Allowances to Applicants in an Underground-Designated Area

(1) The Authority will provide all materials and install underground distribution facilities equal in cost to the allowance for overhead construction. This allowance is up to five hundred (500) feet of a single-phase, or up to three hundred (300) feet of a multiple-phase overhead distribution line extension.

(2) The Authority may choose to provide additional lengths of distribution facilities, installed under normal construction standards, at no direct cost to the Applicant if:

(a) Justified by an analysis of the Applicant's Adjusted Electric Revenues, and

(b) Guaranteed by a Surety Bond posted by the Applicant.

(1) The Applicant must deliver the bond to the Authority before construction of any facilities begins.

(2) The bond ensures that the Applicant will remain a Full-Requirements Customer of the Authority for at least five (5) years.

(3) The bond will be canceled after five (5) years.

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):
Obligations of the Authority for Underground Distribution Facilities Without Direct Cost to the Nonresidential Customer (continued):

g) Installation of Underground Supply Lines, Line Extensions, and Service Laterals in an Underground-Designated Area

(1) Installation by the Authority

The Authority will install all underground supply lines and line extensions in an Underground-Designated Area up to the property line.

(2) Installation by the Applicant

The Applicant-installed service lateral from the meter to the property line must meet Authority specifications.

h) Obligations of the Authority For Underground Distribution Facilities in an Existing Overhead Area

(1) The Authority will install underground distribution facilities in an Existing Overhead Area at the Nonresidential Applicant's request. The Applicant will receive a cost allowance equal to that for overhead construction.

(2) The Authority may choose to provide additional facilities to Nonresidential Applicants, installed under normal construction standards, up to the cost allowance for overhead construction if:

(a) Justified by an analysis of the Applicant's Adjusted Electric Revenues, and

(b) Guaranteed by a Surety Bond posted by the Applicant.

(1) The Applicant must deliver the bond to the Authority before construction of any facilities begins.

(2) The bond ensures that the Applicant will remain a Full-Requirements Customer of the Authority for at least five (5) years.

(3) The bond will be canceled after five (5) years.

(3) The Authority will provide the following services for CIPUD (Commercial or Industrial Park Underground Development) Applicants:

(a) Install the meters, and

(b) Deliver and install pad-mounted or below-grade transformers. There is a surcharge for below-grade transformers.

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):
Obligations of the Authority for Underground Distribution Facilities Without Direct Cost to the Nonresidential Customer (continued):

(4) The Authority will provide the following services to Single Nonresidential Applicants:

(a) Connect the underground cable to the Authority's primary system, and

(b) Install the meter, and

(c) Deliver the transformer.

6. Obligations of the Applicant Without Cost to the Authority

a) General Obligations

See II.D.

b) Additional Underground Wiring and Equipment

All Applicants for underground service shall:

(1) Place the metering equipment and/or pull box (if required) at a location chosen by the Authority, and

(2) Not make connections to the Authority's service lateral, or the Authority may discontinue service to the Customer immediately.

(3) Own and maintain, in an underground-designated area:

(a) A pull box or manhole on the Applicant's property (if required), and

(b) The necessary cable and conduit between the pull box and meter location, except as specified in 3.*c.* and *d.*

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):
Obligations of the Applicant Without Cost to the Authority (continued):

c) Installation of Transformers and Other Equipment on the Applicant's Site

If the Applicant's service requires the installation of transformers and other equipment at the Applicant's site, the Applicant, at no cost to the Authority, shall:

(1) Where required, provide a suitable enclosed or guarded area or transformer vault constructed to the Authority's specifications and located at an approved site, and

(2) Agree to allow the Authority the use of the enclosed transformer area and equipment to supply service to other Customers, and

(3) Provide access to the Authority's transformers and other equipment at all times.

d) Additional Documentation and Right-of-Way Maintenance Obligations of Residential Applicants

(1) The Authority may ask the Applicant for a survey map or a deed (or a copy of one) that shows the boundaries of the Applicant's property.

(2) If the Applicant refuses to provide a survey map or deed, the Authority will require the Applicant to sign an agreement stating that:

(a) If the facilities installed to service the Applicant cross another person's property by mistake, then

(b) The Applicant shall pay for either the costs of obtaining the necessary Right-of-Way or relocating the facilities.

(3) The Authority may ask the Applicant for a map showing the existing and planned location of all underground facilities. If a map is not available, the Applicant shall provide the Authority information on known underground facilities on the Applicant's property.

e) Obligations of All Residential Applicants in an Existing Overhead Area

Applicants shall provide the following materials and labor needed for underground construction and shall follow Authority specifications. The Applicant will receive a cost allowance equal to that for overhead construction.

(1) Materials, installation, and trenching to the Authority's riser pole, and

(2) Fifteen (15) feet of conduit, and

(3) Sufficient lengths of cable above-grade to reach the Authority's distribution system.

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):
Obligations of the Applicant Without Cost to the Authority (continued):

f) Obligations of Nonresidential Applicants For Underground Construction in an Existing Overhead Area

(1) Nonresidential Applicants will receive a cost allowance equal to the allowance for overhead construction.

(2) Nonresidential Applicants shall provide the following materials and labor needed for underground construction.

(a) Materials, installation, and trenching to the Authority's riser pole, and

(b) Fifteen (15) feet of cable in conduit up the pole, and

(c) Enough cable above-grade to reach the Authority's distribution system.

(3) Single Nonresidential Applicants shall extend the underground primary or secondary cables and accessory equipment to the Authority's designated pole.

(4) The CIPUD (Commercial or Industrial Park Underground Distribution) Customer shall:

(a) Submit a written application to the Authority at least seventy-five (75) days before construction is expected to begin when any part of a supply line in excess of the allowance is to be constructed overhead at the Applicant's request, and

(b) At no cost to the Authority, prepare for the Authority's underground installation of service by:

(1) Clearing tree stumps, brush and other obstructions from the private Right-of-Way, and

(2) Grading the Right-of-Way to within six (6) inches of the final grade required,

(c) Give the Authority, upon request, six (6) copies of a survey map certified by a licensed professional land surveyor and certified by the Applicant as final. The map shall show the location of each building (if known), lot, sidewalk, roadway, drainage and water and sewer lines, and

(d) Give or agree to give the Authority a map showing the location of all existing and proposed underground facilities, such as water, sewage, drainage, and any other proposed underground facilities as soon as the information is known, and

III. Overhead and Underground Distribution of Electricity (continued):

B. Underground Distribution of Electricity (continued):
Obligations of the Applicant Without Cost to the Authority (continued):

(e) Place and maintain survey stakes marking grade and property lines, and

(f) Agree to maintain the required clearance and grading during construction by the Authority, and

(g) Provide easements to the property to accommodate the Authority's primary cables, transformers, and accessory equipment, and

(h) Provide and install the secondary service cables and associated equipment.

7. Costs to the Applicant for the Extension of Underground Distribution Facilities

a) For new underground extensions within subdivisions in an Underground-Designated Area, the Applicant will pay the Authority the standard charges stated in Section IV.C for the length of Authority-installed underground service laterals, line extensions and supply lines that exceed the Authority's allowance.

b) For new underground extensions outside a subdivision in an Underground-Designated Area, the Applicant will pay the Authority the total estimated Cost for Authority-installed underground distribution facilities that exceed the length of the Authority's allowance.

c) For overhead construction and for new underground extensions in an Existing Overhead Area, the Applicant shall pay the total Costs to install the underground facilities minus the equivalent costs to provide the overhead distribution facilities covered by the Authority’s allowance. The equivalent costs are calculated by multiplying the Authority’s standard charges stated in Section IV.C times the length of overhead construction that is provided by the Authority without charge to the Applicant.

III. Overhead and Underground Distribution of Electricity (continued):

C. Underground Distribution of Electricity to Non-Residing Applicants:

1. Underground Service to Applicants in Subdivisions and Underground-Designated Areas

The Authority will provide or contribute to the cost of new residential underground service to Non-Residing Applicants in:

a) A new residential major subdivision which has five (5) or more dwelling units, or a new section of an existing subdivision which has five (5) or more dwelling units, if the average length of a line extension for each planned dwelling unit is no more than two hundred (200) feet, and

b) A new minor subdivision which has less than five (5) dwelling units, in which case:

(1) The installation of the transformer pad and the underground distribution line to an Authority-designated pole may be provided by the builder or the Authority, at the builder's option, and

(2) The new minor subdivision will be treated as a single Residential Customer in both Underground-Designated and Existing Overhead Areas, and

(3) If underground service is requested, the Authority will provide a cost allowance equal to the allowance for overhead construction, and

(4) The allowance for a minor subdivision is one hundred (100) feet of overhead or underground service line per lot, and

c) A new multi-occupancy building, located in an Underground-Designated Area, that has four (4) or more dwelling units, if:

(1) The developer of the subdivision or multi-occupancy building applies in writing for underground service, or

(2) A governmental authority having jurisdiction requires underground service, or

(3) The average length of a line extension for each planned dwelling unit is no more than two hundred (200) feet.

III. Overhead and Underground Distribution of Electricity (continued):

C. Underground Distribution of Electricity to Non-Residing Applicants (continued):

2. Underground Service to a Subdivision in an Existing Overhead Area

When a governmental authority having jurisdiction does not require underground service, and unless undergrounding is requested by the Applicant,

a) The Authority will decide whether or not to place line extensions underground on public highways or private property, and

b) The Authority may not be responsible for providing or contributing to the cost of new residential underground distribution facilities to Non-Residing Applicants if:

(1) The Authority or the Applicant believes that undergrounding would negatively affect the appearance or environment of the site. If the Applicant does not want underground service for environmental reasons, the Authority will compare the effects of both underground and overhead installation on the site-specific environmental matters raised by the Applicant.

(2) The Applicant requests that any portion of the supply line in excess of the underground allowance be constructed overhead.

(3) The developer of the residential subdivision will sell vacant lots and is not chiefly engaged in the construction of dwelling units in the subdivision, and:

(a) Five (5) years passed between the sale of the first lot and the date of the first application for installation of facilities, and

(b) The Authority has no reasonable indication that there will be other new Applicants in the next six (6) months, or

(c) The residential subdivision or section of it received final governmental approval five (5) years ago, and

(d) Less than 25 percent of the lots or of any section has been sold, except

(e) Where 10 percent of the lots in the subdivision or of any section has been sold in the last two (2) years.

c) The Authority may provide overhead electric service to an entire residential subdivision located in an Existing Overhead Area if:

(1) The line extension would extend no more than six hundred (600) feet into a dead-end street that has an overhead system located on it or at its entrance, or

(2) The connection between existing overhead systems would be less than one thousand two hundred (1,200) feet.

III. Overhead and Underground Distribution of Electricity (continued):

C. Underground Distribution of Electricity to Non-Residing Applicants (continued)
Underground Service to a Subdivision in an Existing Overhead Area (continued):

d) The Authority may connect an existing overhead distribution line to a proposed underground distribution line in the subdivision with a one-pole extension, such as an extension to cross a road.

3. Obligations of the Authority Without Direct Cost to the Customer

When distribution lines are located on a public or private Right-of-Way, the Authority will:

a) Obtain and pay for the use of public or private Right-of-Ways, and

b) Make all construction and connection decisions, and

c) Construct, own, operate, and maintain all distribution facilities, including cables and conduits, up to the Applicant's property line, based on the allowances stated in 6. below, and

d) Reconstruct or replace these facilities when the Authority believes it is necessary.

4. Obligations of the Applicant Without Cost to the Authority

a) General Obligations

See Section II.D.

b) Additional Underground Wiring and Equipment

All Applicants for underground service shall:

(1) Place the metering equipment and/or pull box (if required) at a location chosen by the Authority, and

(2) Not make connections to the Authority's distribution facilities, or the Authority may discontinue service to the Customer immediately.

(3) Own and maintain, in an underground-designated area:

(a) A pull box or manhole on the Applicant's property (if required), and

(b) The necessary cable and conduit between the pull box and meter location.

III. Overhead and Underground Distribution of Electricity (continued):

C. Underground Distribution of Electricity to Non-Residing Applicants (continued): Obligations of the Applicant Without Cost to the Authority (continued):

c) Installation of Transformers and Other Equipment on the Applicant's Site

If the Applicant's service requires the installation of transformers and other equipment at the Applicant's site, the Applicant, at no cost to the Authority, shall:

(1) Where required, provide a suitable enclosed or guarded area or transformer vault constructed to the Authority's specifications and located at an approved site, and

(2) Agree to allow the Authority the use of the enclosed transformer area and equipment to supply service to other Customers, and

(3) Provide access to the Authority's transformers and other equipment at all times.

(4) Pay the additional Cost, before installation, for a below-grade transformer.

d) Additional Documentation and Right-of-Way Maintenance Obligations of Non-Residing Applicants

(1) The Applicant shall submit a written application to the Authority at least seventy-five (75) days before construction is expected to begin when any part of a supply line in excess of the allowance is to be constructed overhead at the Applicant's request.

(2) The Applicant shall, at no cost to the Authority, prepare for the Authority's underground installation of service by:

(a) Clearing tree stumps, brush and other obstructions from the private Right-of-Way, and

(b) Grading the Right-of-Way to within six (6) inches of the final grade required.

(3) The Applicant shall give the Authority, upon request, six (6) copies of a survey map certified by a licensed professional land surveyor and certified by the Applicant as final. The map shall show the location of each residence (if known), lot, sidewalk, roadway, drainage and water and sewer lines.

(4) The Applicant shall give or agree to give the Authority a map showing the location of all existing and proposed underground facilities, such as water, sewage, drainage, and any other proposed underground facilities as soon as the information is known.

(5) The Applicant shall place and maintain survey stakes marking grade and property lines.

(6) The Applicant shall agree to maintain the required clearance and grading during construction by the Authority.

III. Overhead and Underground Distribution of Electricity (continued):

C. Underground Distribution of Electricity to Non-Residing Applicants (continued): Obligations of the Applicant Without Cost to the Authority (continued):

e) Performance Payment Obligations of Non-Residing Applicants in Underground-Designated Areas

The payment:

(1) Shall guarantee the Applicant's performance for five (5) years, and

(2) Is in addition to all other costs the Applicant is responsible for, and

(3) May be required before construction begins, and

(4) May not be greater than the estimated total Cost of construction covered by the allowance, and

(5) Shall be returned with interest, annually, in prorated portions as new attachments come on line, and

(6) That portion of the deposit that remains unreturned after five (5) years will be kept by the Authority, and

(7) May be in the form of a Surety Bond, if the Authority and Applicant agree.

f) Trenching and Backfilling Options of Non-Residing Applicants

(1) Non-Residing Applicant for a subdivision may trench and backfill if:

(a) The trenching and backfilling meets the Authority's standards and specifications, and

(b) Is sufficient for the entire length of service line and line extensions needed in the subdivision.

(2) The Authority will pay the Applicant or reduce the amount the Applicant owes the Authority at a specific rate, less the cost of the inspection to ensure that the work meets Authority standards.

(3) If gas and electric facilities are to be installed in the same Applicant-provided trench, the Authority will pay the Applicant the greater of the gas or electric per foot trenching rate.

III. Overhead and Underground Distribution of Electricity (continued):

C. Underground Distribution of Electricity to Non-Residing Applicants (continued):

5. Measurement of the Allowance

The lengths of the allowance, given in 6. below, are measured from the Authority's existing electric system. The measurement begins at the base of the riser pole.

6. Allowances to Non-Residing Applicants in an Underground-Designated Area

a) For Single Residences in a Subdivision

The Authority will:

(1) Provide all materials, and

(2) Obtain and pay for the use of Public Right-of-Ways, and

(3) Install, at no direct cost to the Applicant, up to one hundred (100) feet of underground distribution facilities for each residential unit planned, including the supply line, the line extension, and service lateral, and

(4) If needed, provide and install the cable and conduit from the base of the riser pole and make connections to the distribution line on the pole.

b) For Multiple Dwellings

The Authority will:

(1) Provide all materials, and

(2) Obtain and pay for the use of Public Right-of-Ways, and

(3) Install, subject to Performance Payment (See 4.*e.* above), at no direct cost to the Applicant, up to one hundred (100) feet of underground distribution facilities times the average number of dwelling units on each floor of the building, and

(4) If needed, provide and install the cable and conduit from the base of the riser pole and make connections to the distribution line on the pole.

III. Overhead and Underground Distribution of Electricity (continued):

C. Underground Distribution of Electricity to Non-Residing Applicants (continued):

7. Recalculation of Costs to Non-Residing Applicant(s) From the Expansion of a Subdivision in an Underground-Designated Area

   a) If more Applicants than were planned for originally in a subdivision take service within five (5) years from the installation date of the line extension, the Authority shall:

      (1) Recalculate the charge as if the additional Applicants had applied at the time of the original construction within the underground-designated area, and

      (2) Refund the suitable amount, without interest, to the original Applicant(s).

   b) Any part of the charge that is unrefunded five (5) years after construction of the facilities shall be kept by the Authority.

8. Installation of Underground Supply Lines, Line Extensions, and Service Laterals in an Underground-Designated Area

   a) Installation by the Authority

      (1) The Authority will install all underground supply lines and line extensions in an underground-designated area up to the property line, unless

      (2) The Applicant's allowance is greater than this distance, then

      (3) The Authority will install the service lateral to an Authority-approved meter location.

      (4) The Authority will own and maintain this service lateral.

      (5) The Authority will replace or relocate Authority-owned service laterals on private property at the Customer's request, at Cost, to be borne by the Customer.

   b) Installation by the Applicant

      (1) If an Applicant installs the service lateral from the property line to the meter location, the installation must meet the Authority's specifications, and

      (2) The Authority may choose to own, operate, and maintain this lateral.

9. Obligations of the Authority For Underground Distribution Facilities in an Existing Overhead Area

   The Authority will install underground distribution facilities at the Applicant's request. The Applicant will receive a cost allowance equal to the allowance for overhead construction.

III. Overhead and Underground Distribution of Electricity (continued):

C. Underground Distribution of Electricity to Non-Residing Applicants (continued):

10. Obligations of Applicants in Existing Overhead Areas

a) The Applicant will pay the total Costs to install the underground facilities minus the cost allowance for overhead distribution facilities.

b) Applicants shall provide the following materials and labor needed for underground construction:

(1) Materials, installation, and trenching to the Authority's designated riser pole, and

(2) Fifteen (15) feet of conduit, and

(3) Sufficient lengths of cable above-grade to reach the Authority's distribution system.

11. Costs to the Applicant for the Extension of Underground Distribution Facilities

a) For new underground extensions within subdivisions in an Underground-Designated Area, the Applicant will pay the Authority the standard charges for the length of Authority-installed underground service laterals, line extensions and supply lines that exceed the Authority's allowance.

b) For new underground extensions outside a subdivision in an Underground-Designated Area, the Applicant will pay the Authority the total estimated Cost for Authority-installed underground distribution facilities that exceed the length of the Authority's allowance.

c) For overhead construction and for new underground extensions in an Existing Overhead Area, the Applicant shall pay the total Cost to install the underground facilities minus the equivalent costs to provide the overhead distribution facilities covered by the Authority’s allowance. The equivalent costs are calculated by multiplying the Authority’s standard charges stated in IV.C times the length of overhead construction that is provided by the Authority without charge to the Applicant.

III. Overhead and Underground Distribution of Electricity (continued):

D. Charges for Undergrounding Request:

1. Purpose

The purpose of this section is to establish the recovery of incremental costs resulting from burying a length of the transmission and/or distribution system at the request of a municipality (the "Request") that the Authority would have otherwise installed as an overhead facility or that already exists as an overhead facility. The Authority will recover the costs of complying with such Request through levelized surcharge applied to the kWh usage on the bills of all customers in the affected area as determined by the requesting municipality, as explained below. Incremental costs will be recovered over twenty (20) years unless a shorter recovery period is agreed upon by the Authority and municipality making the Request.

2. Undergrounding Transmission and Distribution Lines at Municipality Request

A political subdivision of the State of New York that is a city, county, town, or incorporated village (a "Requesting Party") may request that a planned or existing overhead facility or facilities in an Existing Overhead Area be installed underground. A Requesting Party may make multiple Requests; however, each Request will be addressed separately. The Requesting Party shall demonstrate its intent to allow the Authority to collect from the Customers within the Requesting Party's taxing jurisdiction the full incremental revenue requirement associated with the Request and the Requesting Party shall identify the boundary and the service addresses within that boundary that will be subject to the charge. Such intent shall be demonstrated by execution of a Memorandum of Understanding in which the Requesting Party shall warrant that it has obtained appropriate authorization to make the Request on behalf of its constituents including by adoption of any such municipal resolution, ordinance, legislation, or other process as may be required by applicable law or regulation. The Memorandum of Understanding by the Requesting Party shall include a statement that the Request is in the public interest.

The Requesting Party is responsible for ensuring that all non-electric overhead facilities co-located with the project will also be relocated or placed underground. The Authority will not finance the cost of undergrounding or relocating such co-located facilities.
The Authority reserves the right to refuse the Request for any reason including that the Request is determined by the Authority to be not technically feasible.

3. Calculation of Incremental Revenue Requirement

The Authority will calculate the incremental levelized annual revenue requirement resulting from the Request to bury any overhead facilities that are planned and/or currently exist as an overhead facility as follows.

a) Incremental Costs: Incremental costs shall consist of the sum of the incremental costs associated with the underground facilities, including the following components:

(1) The cost to design and construct the designated new facilities;

(2) The cost to construct, modify or restore any existing or related facilities;

(3) The cost to remove any existing overhead facilities net of salvage value;

(4) The cost to relocate facilities;

III. Overhead and Underground Distribution of Electricity (continued):

D. Charges for Undergrounding Requests (continued):

(5) Incremental informational technology and other direct costs associated with setup of the Customer billing for the Request;

(6) The cost of securing the Right-of-Way and obtaining governmental and regulatory approvals.

b) The annual revenue requirements will be calculated to produce equal annual payments over the assumed cost recovery period, using the Authority's weighted average cost of capital at the time the project is constructed. LIPA's procedure for calculating its weighted average cost of capital, and the then-current value can be obtained from the Authority on request.

4. Cost Recovery Period and Method

a) The incremental costs for the underground facilities will be targeted for recovery over a period of twenty (20) years unless the Requesting Party and the Authority agree to a shorter recovery period. The charge will be calculated as the sum of the incremental costs, plus the Authority's weighted average cost of capital for the incremental capital costs, expressed on a level annualized basis, as identified in D.3 above, divided by the forecasted annual energy sales to the applicable accounts that are within the designated boundary. Notwithstanding the assumed twenty (20) years targeted recovery, the surcharge will continue to be applied until the incremental costs have been fully recovered.

b) The charge will take effect as soon as the underground facilities are placed into service.

c) Billed charges that are not collected from individual participating customers and ultimately written off will be added back to the amount due from all participating customers, with interest at the assumed weighted cost of capital used to establish the charge.

d) To the extent that the unamortized balance is fully recovered before the end of the recovery period, the charge will be set to zero (0).

III. Overhead and Underground Distribution of Electricity (continued):

D. Charges for Undergrounding Requests (continued):

e) The unamortized balance will be adjusted at any time to reflect any contributions made by the Requesting Party to cover the cost of undergrounding, or any incremental costs that are incurred subsequent to placing the underground facilities in service.

f) The charge will be set initially, based on the best available information at the time the original "Statement of Undergrounding Charge" becomes effective. The charge may be reset annually based on updates to cost data and/or billing determinants of the Requesting Party.

g) The charge will be rounded to the nearest $0.0001/kWh.

5. Undergrounding Charge

a) The Authority will prepare and retain on file a "Statement of Undergrounding Charge." The Statement will be available at the Authority's Business Offices.

b) The Statement will show, for each requested undergrounding project, the authorized amounts to be recovered, the applicable weighted average cost of capital rate, a description of the area that identifies the applicable Customers' accounts, the expected annual kWh of participating Customers, and the incremental rate that will be applied to the applicable Customers' bills.

6. Billing of the Charge

a) The charge will be included on each applicable Customer's bill.

b) If a Requesting Party makes multiple Requests, the charges may be combined for billing.

c) Payments received from Customers will be allocated first to all other charges on the bill. Any remaining payments will be credited against the incremental undergrounding charge.

d) The incremental charge is not subject to Late Payment Charges, if any, as that term is defined within the Tariff for Electric Service.

7. Customer-Owned Facilities

a) All service lines connected to the overhead facilities shall be relocated by the Customer at the Customer's expense. Any costs associated with modifications to Customer-owned facilities and/or Company-owned facilities interconnecting with Customer-owned facilities shall be the responsibility of the affected Customer.

b) The Company shall notify Customers whose facilities interconnect with the overhead facilities that are to be removed of the actions they need to take to interconnect with the underground facilities. The Authority may suspend service to any Customer that has not arranged for connection to the underground facilities at the time the overhead facilities are removed.

III. Overhead and Underground Distribution of Electricity (continued):

E. Meters

1. Meter Locations

a) The Customer will provide a suitable and protected location, with easy access, for the Authority's metering equipment.

b) On new installations, this location should be outside the Applicant's building.

c) If the Applicant cannot provide an outdoor location that is suitable to the Authority for a new one-, two-, or three-family dwelling, a remote meter-reading device may be installed at the Applicant's expense. The Applicant shall pay the estimated cost in advance.

d) The Authority will:

(1) Decide on the location of the service lateral and the meter, and

(2) If needed, make minor alterations to the meter cabinets and equipment containers to install locks or other devices to secure the equipment.

2. Number of Meters

a) Single Meters

The Authority will deliver all service to the premises of a Customer at a single location through a single meter, except that the Authority will:

(1) Install a separate meter for each separate class of service and/or for each separate voltage characteristic as designated by separate rate codes.

(2) Install, if the Customer applies in writing, as many meters as the Customer wants, if:

(a) the circuit or circuits connected to each meter are kept separate from all other circuits and are nonswitchable, and

(b) The multiple meters would not be used to avoid an appropriate service or multiple-rate-period Service Classification.

(3) Install multiple meters when a single meter cannot correctly measure the total service supplied.

(4) Install multiple meters when two (2) or more service connections would provide service at the lowest cost to the Authority.

(5) Install multiple meters if delivering the most reliable service requires one (1) or more service connections, and a meter is connected to each service connection, and

(6) Continue to deliver service through multiple meters to a Customer at a single location if, when the service was first installed, there was no single meter commercially available to measure that service correctly.

III. Overhead and Underground Distribution of Electricity (continued):

E. Meters (continued):
Number of Meters (continued):

b) Plural Metering

(1) When service is supplied through two (2) or more meters, each meter shall be billed separately according to its Service Classification.

(2) The readings of two (2) or more meters may not be combined for billing purposes, except if service is delivered to a Customer at a single location through two (2) or more meters under conditions described in *a.*3-6 above. In these cases:

(a) Both the usage (kWh) and maximum demands (kW), as registered on separate meters (non-coincidental), are added and billed as though the total service had been delivered through a single meter, unless

(b) The Customer pays the cost to install the wiring and equipment needed to measure and add the demands on each meter which occur in the same time period (coincidental basis). The Customer will be billed for the combined usage and maximum demand as measured by the adding equipment.

c) Duplicate Metering

(1) The Authority will not supply a meter to measure current already being measured by another or master meter, except

(2) When the Authority installs equipment, at its own expense, as part of a load-monitoring program.

III. Overhead and Underground Distribution of Electricity (continued):

E. Meters (continued):
Number of Meters (continued):

d) Shared Metering.

(1) When a tenant has a service meter that also registers service that is outside the tenant's dwelling (shared metering), the tenant will not be required to pay for that service.

(2) With regard to shared meters, the Authority shall give full effect to the rights, protections and obligations of Customers contained in Section 52 of the Public Service Law.

(3) Upon receipt of information indicating that a shared meter may exist, or upon a complaint by a Customer, the Manager shall investigate and determine whether shared metering exists.

(a) When the Manager determines that a shared meter exists, the Manager shall provide the owner with notice thereof.

(b) Any Customer who filed a shared meter complaint or owner who disagrees with the Manager's determination that a shared meter exists, may request a review of the Manager's determination by writing to the NYS Department of Public Service – Long Island Office, 125 E. Bethpage Road, Plainview NY 11803. The review will be performed in accordance with the Authority's Complaint Procedures (See Leaf Nos. 160-165).

(4) The Manager will notify the owner or an involved third-party of their responsibility for the shared meter charges. An assessment, an estimated amount of charges for 12-months of all service measured by the shared meter, may also be charged to the owner.

(a) The Shared Meter Customer, owner, or an involved third-party, who disputes all or part of the shared meter charges may request a review of the shared meter charges by the Department.

(1) The Department will review the shared meter charges, determine, and advise the Manager whether and to what extent any adjustment to the charges are necessary. If adjustments are warranted the Department will instruct the Manager to correct the changes. The Department will provide a copy of the complaint to the Authority.

III. Overhead and Underground Distribution of Electricity (continued):

E. Meters (continued):
Number of Meters (continued):

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

(1) The Department will provide a copy of the petition to the Authority. The Department will review the petition and determine whether there is just cause for a reduction in the assessment.

(5) Upon completion of the Department's review, it will make a written recommendation to the Authority's Chief Executive Officer (or their designee) with regard to the assessment. The written recommendation will include notification of any necessary adjustments the Manager has made to the shared meter charges pursuant to the Department's review.

(6) The Authority's Chief Executive Officer will notify the owner and tenant(s) of the shared meter charges and its decision regarding any adjustment of the assessment, in writing, with a copy to the Department.

III. Overhead and Underground Distribution of Electricity (continued):

E. Meters (continued):

3. Meter Testing

a) The Authority will test meters if requested directly by the Customer.

b) The Authority shall pay the cost of the testing.

c) The Authority will perform the tests within sixty (60) days of the request, unless prevented by events it cannot control.

4. Types of Meters

The Authority will determine the type of meter installed.

5. Existing Customer without an AMI Smart Meter:

Effective January 1, 2019, Residential Service Classification No. 1 Customers (Rate Codes 180, 580), receiving service through a non-AMI equipped meter will be notified of replacement with an AMI equipped smart meter. With the following exceptions, residential Customers may opt-out of receiving the smart meter:

a) Customers who participate in net metering;

b) Retail choice program participants (Long Island Choice and Green Choice); and

c) Residential Customers served under Rate Codes 194, 195, or time-of-use Service Classification (No. 1-VTOU).

Commercial Service Classifications are ineligible to opt-out of smart meter installation.

The Customer will receive communication from the Authority at least forty-five (45) days prior to the install date of the AMI equipped smart meter. If the Customer does not want an AMI equipped smart meter they may request that service be continued through a non-communicating meter but for the exceptions noted above.

Residential Service Classification No.1 Customers who do not object to installation of an AMI equipped smart meter and later request removal of the AMI equipped smart meter and replacement with a non-communicating meter will be subject to a meter removal fee as described in Section IV.C.11.

Beginning in August 1, 2022, Customers who have opted out of receiving the AMI equipped smart meter will be charged a daily opt out service fee (“AMI Smart Meter Daily Opt-Out Fee”) as described in Section IV.C.11.

IV. Billing Process and Payment of Bills:

A. Meter Reading, Billing Periods, and Estimated Bills:

1. Metered Service

   a) The Authority will provide the meter or meters to each Applicant to register the electric service supplied to each Applicant.

   b) Meter readings are considered correct, unless it is determined that the meter or meters are not registering accurately.

2. Unmetered Service

   a) The Authority may supply unmetered service to a Customer on a Service Classification the Customer would have qualified for if metered, if:

      (1) The Customer's load at any one location is on a fixed schedule and is within a definite, stable demand and usage range that can be established by the Authority and agreed to, in writing, by the Customer, and

      (2) The Customer agrees to give the Authority advance notice of changes of load and/or use of service at that location.

   b) The Authority may, at any time, meter service previously unmetered.

3. Unmetered Service For Lighting Outside Areas

   a) Unmetered electric service is supplied under Service Classification Nos. 7, 7A, and 10 for the lighting of outside areas.

   b) The Authority will determine the monthly kilowatt-hours of a lighting facility supplied under Service Classification Nos. 7, 7A, or 10, by multiplying the lighting facility’s total watts (shown on the Service Classification or applicable contract) by the monthly burning hours (listed below) and dividing by one thousand (1,000).

   c) Lighting facility total watts include the watts for the lamp rating, auxiliary equipment, and the related energy losses to the point of connection to the Authority's common distribution system.

IV. Billing Process and Payment of Bills (continued):

A. Meter Reading, Billing Periods, and Estimated Bills (continued): Unmetered Service For Lighting Outside Areas (continued):

d) Monthly Burning Hours:

Month	Cadmium Sulphide Photocells	Solid State Photocells	Month	Cadmium Sulphide Photocells	Solid State Photocells
January	437	425	July	278	270
February	367*	357*	August	309	300
March	366	356	September	337	327
April	314	305	October	391	380
May	288	280	November	414	402
June	262	254	December	447	434

* Leap Year: add 12 hours

e) Annual Burning Hours

Cadmium Sulphide Photocells:

Normal Year = 4,210
Leap Year = 4,222

Solid State Photocells:

Normal Year = 4,090
Leap Year = 4,102

f) Decreasing the Burn Hours in a Contract

The specified burn hours in the contract between the Customer and the Authority may be decreased if the Customer can reasonably show that, because of the use of any other new technology, the actual number of burn hours is lower than in *e.* above.

4. Meter Reading Periods

a) Monthly Intervals
All demand meters are read monthly. Watt-hour meters may or may not be read monthly.

(1) If the Authority is unable to perform a scheduled meter reading, and has estimated the two (2) previous bills, the Authority will try to perform a follow-up meter reading within seven (7) calendar days.

(2) If the Authority is unable to get a reading from a demand meter on a scheduled reading or on a follow-up attempt within seven (7) days, a second follow-up attempt will be made within seven (7) calendar days.

IV. Billing Process and Payment of Bills (continued):

A. Meter Reading, Billing Periods, and Estimated Bills (continued):
Meter Reading Periods (continued):

b) Two-month intervals (bimonthly)

(1) When watt-hour meters are read bimonthly, the Authority will send estimated bills, based on the best information it has, for the months in which the meter(s) are not read, or

(2) The Authority will provide alternative means, upon request, necessary to permit Customers to report their meter readings.

(3) If the Authority has billed a Nonresidential Customer, based on the Customer's readings, for seven (7) consecutive months, the Authority will:

(a) Schedule an appointment with the Customer to get an actual reading, or

(b) Attempt a follow-up meter reading within seven (7) calendar days of the last attempt.

c) When service ends

The Authority will read the meter for all Customers when service is terminated, including Seasonal and Short-term Customers.

5. Billing Periods

a) Unless stated otherwise for a Service Classification, monthly rates in the Tariff are based on a 30-day month.

b) If the period covered by the bill is more or less than thirty (30) days, monthly rates or minimum charges will be prorated by dividing the number of days covered by thirty (30).

c) If a Residential Customer is sixty-two (62) or older and has an average annual billing of less than one hundred and fifty dollars ($150), the Authority will allow that Customer to pay for service quarterly.

d) The billing period for demand-metered Customers will not be more than forty (40) days. If the Authority is unable to read the meter within the 40-day period, it will estimate the demand to be billed.

IV. Billing Process and Payment of Bills (continued):

A. Meter Reading, Billing Periods, and Estimated Bills (continued):

6. Estimated Bills for Residential Customers

a) The Authority will estimate bills based on previous usage, if:

(1) The meter does not work or perform correctly, or

(2) It appears that the equipment, including the meter and service line, have been tampered with, and

(3) Service is being obtained improperly, or

(4) The Authority cannot enter the Customer's premises to read the meter.

b) When the Authority cannot gain access, a notice will be indicated on the Customer's next bill requesting meter access on the next scheduled meter-reading date. The notice will not be indicated if:

(1) The Customer does not have access to the meter, or

(2) The Customer has already requested alternative means from the Authority in order to report the meter reading. (The Authority will attempt to read the meters of Customers who have requested alternative means, if it is convenient for the Authority.)

c) When the Authority has estimated four (4) consecutive monthly bills or two (2) consecutive bimonthly bills, the Authority will contact the Customer to arrange for:

(1) An actual reading during business hours, or

(2) A special reading by appointment, or

(3) Getting the reading from the Customer by alternative means.

d) If the Authority still does not have a meter reading after six (6) (or three (3) bimonthly) consecutive months of estimated billing, the Authority will request, in writing, a special appointment to read the meter, including evenings and Saturdays. This request will be made:

(1) To the Customer, or

(2) To the Customer's landlord, the landlord's agent, or the building superintendent if the Customer lives in a multiple, a three-family, or a two-family dwelling, and the meter is not in the Customer's apartment.

IV. Billing Process and Payment of Bills (continued):

A. Meter Reading, Billing Periods, and Estimated Bills (continued):
Estimated Bills for Residential Customers (continued):

e) If the Authority does not receive an answer to its request for a special meter-reading appointment (See 6.d*).* above) after eight (8) (or four (4) bimonthly) consecutive months of estimated billing, the Authority will send a second letter to the Access Controller:

(1) Offering a special appointment, and

(2) Stating, if an appointment is not made, it may add a No-Access charge to the Access Controller's next bill for refusal to provide access to the meter.

f) If the Authority does not receive a response to its second appointment letter within two (2) months of its being sent, the Authority will send the Access Controller a registered letter stating that:

(1) The Authority has the right of access to all of its property installed in the Customer's premises at all reasonable times (See I.C.6.), and

(2) The Authority may, following proper procedure, enter a premises and remove the meter and all other equipment the Authority has installed in the Customer's premises, for violation of any of the terms and conditions of the Tariff, and

(3) The Authority will, if still denied access to the meter thirty (30) days after receipt of the registered letter, apply for a court order to gain access to the meter to:

(a) Replace or relocate the meter outdoors to avoid future estimated billing or, if that is not physically practical,

(b) Install a remotely read meter, and

(4) The Customer or landlord shall pay the court costs, the cost of relocating the meter, and/or the costs of any required equipment and any associated administrative costs.

g) The Authority will enforce the terms of 6d. - 6.f. above if a Customer with a remote reading device, or one who mails or calls in the reading, refuses access to the meter at least once in each 12-month period.

7. Underestimated Bills for Residential Customers

If the Authority understates a Residential Customer's estimated bill by 50 percent or one hundred dollars ($100), whichever is greater, of the actual bill for the period covered by the estimated bill(s), the Authority will notify the Customer in writing that the Customer may pay the difference between the estimated amount and the amount actually owed in regular monthly installments over a reasonable period of time, but not less than three (3) months.

IV. Billing Process and Payment of Bills (continued):

A. Meter Reading, Billing Periods, and Estimated Bills (continued):

8. Estimated Bills for Nonresidential Customers

a) The Authority will estimate bills based on previous demand and usage, if:

(1) The meter does not work or perform correctly, or

(2) It appears that the equipment, including the meter and service line have been tampered with, and

(3) Service is being obtained improperly, or

(4) The Authority cannot enter the Customer's premises to read the meter.

b) No-Access Notices

(1) When the Authority cannot gain access, a notice will be indicated on the Customer's next bill requesting meter access on the next scheduled meter-reading date, unless the Customer does not have access to the meter.

(2) The Authority will provide a series of No-Access Notices when it cannot access the meter(s).

(3) The series of No-Access Notices will begin with:

(a) For demand-billed accounts, the second consecutive bill that has been estimated.

(b) For non-demand-billed accounts, the fourth consecutive bill that has been estimated.

(c) For Customers with remotely read meters or who read their own meters, the tenth consecutive bill that has been estimated.

(4) The No-Access Notices and charges outlined in this section will be directed toward the Access Controller. If the Access Controller is not the Customer of Record on the account in question, the Authority will also send copies of the No-Access Notices to the Customer at the same time.

IV. Billing Process and Payment of Bills (continued):

A. Meter Reading, Billing Periods, and Estimated Bills (continued):
Estimated Bills for Nonresidential Customers (continued):

(5) Contents of No-Access Notices

The First Notice (see IV.A.8.b) as to when "No-Access Notices" are initiated) will state that, unless the Authority has access to the meter on the next scheduled date or before that date by special appointment:

(a) The Authority will add a No-Access charge to the Access Controller's next bill and to every bill until access is provided, but

(b) There will be no charge if an appointment is made and kept.

(6) The Second Notice will state that:

(a) The Authority has added the No-Access charge to the Access Controller's account and will also add it to the next bill unless the Authority has access to the meter on the next scheduled date or before that date by special appointment, and

(b) The Authority will, if still denied access to the meter thirty (30) days after the issuance of the notice, apply for a court order to gain access to the meter to:

(1) Replace or relocate the meter in a place where it can be accessed for reading or if that is not physically practical,

(2) Install a remotely read meter, and

(c) The Customer or landlord shall pay the court costs, the cost of relocating the meter, and/or the costs of any required equipment and any associated costs.

(7) The Third and following Notices will state that:

(a) The Authority has added the latest No-Access charge to the Access Controller's account, and

(b) Will include a notice of termination for non-access, or

(c) Notice that the Authority will seek a court order to obtain access, if the Authority cannot physically terminate the Access Controller's service without access.

c) No-Access Charge Limit

The Authority will add no more than one hundred dollars ($100) per building or premises to any single bill of the Access Controller even if multiple meters are located there.

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

All rates shall be metered at DST between the second Sunday in March and the first Sunday in November and at Eastern Standard Time (EST) for the remainder of the year. Furthermore, when meters 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.

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 Price Changes to Customer's Bills

   If a price change becomes effective during a billing period, for an ETV Rate Code, 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.

IV. Billing Process and Payment of Bills (continued):

B. Computing a Customer's Bill (continued):
Backbilling (continued):

b) For Residential Customers that qualify as a Seasonal Customer and/or Short-Term or Temporary Customer - Residential, the Authority may not render a bill for previously unbilled service after twenty-four (24) months from the time service to which the bill pertains was provided. This provision shall not apply when the culpable conduct of a Customer caused or contributed to the failure of the Authority to have rendered a timely billing.

c) 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.

d) For Nonresidential Mass Market Customers, excluding street lighting accounts, a Seasonal, a Short Term or a Temporary Nonresidential Customer, if the Authority does not render such Mass Market 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 months from the end of such monthly billing period, then such Mass Market Customer shall not be charged for such services which were not billed to such Mass Market 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 Mass Market Customer.

e) For Nonresidential Customers that are not Mass Market 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.

f) 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 (continued):

f) First Time a Customer is Billed - Time Limits

(1) The Authority may backbill a Nonresidential Customer that is not a Mass Market Customer for service supplied before it sends the first bill, if the delay in billing:

(a) Is up to but no more than twelve (12) months, and

(b) Was caused by the Authority's neglect; and

(c) Was not caused by culpable conduct of the Customer.

(2) The Authority may backbill a Nonresidential Customer, including a Mass Market Customer, for service supplied up to but no more than twenty-four (24) months before it sends the first bill, if the delay in billing:

(a) Was not caused by the Authority's neglect, or

(b) Was not caused by culpable conduct of the Customer.

(3) For Residential Customers, the Authority will explain the reasons for the late billing in 1, and 3 above and offer the Customer, in writing, an installment payment plan for the amount owed. The installment plan will offer the Customer the lower down payment amount of these two (2) choices:

(a) One half (1/2) of the amount owed, or

(b) Three (3) months' average billing for that Customer.

(4) The Authority may backbill a Customer for service supplied up to but no more than six (6) years before it sends the first bill, if the delay in billing:

(a) Was caused by culpable conduct of the Customer, and

(b) Was not caused by the Authority's neglect.

IV. Billing Process and Payment of Bills (continued):

B. Computing a Customer's Bill (continued):
Backbilling - First Time a Customer is Billed - Time Limits (continued):

(5) With every backbill to a Customer, the Authority will include:

(a) A written explanation of the reasons for the late billing, and

(b) All the information required on a regular bill, and

(c) A notice that the Customer may request a detailed billing statement showing how the charges were calculated, including any late payment charges, for any backbill that covers more than a 1-month period, and

(d) An offer of a Deferred Payment Agreement, if it applies.

g) Adjusting Previous Bills - Time Limits

(1) 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 twelve (12) months before it sends the rebill, if:

(a) The incorrect billing was caused by the Authority's neglect, and

(b) Was not caused by culpable conduct of the Customer, or

(c) The increase is needed to adjust a Balanced Billing Plan, or

(d) For Residential Customers, the Customer lodged a complaint disputing the charges for service during the 12-month period. The Authority will send an adjusted bill within four (4) months of the resolution of the complaint.

(2) 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 twenty-four (24) months before it sends the rebill, if:

(a) The incorrect billing was not caused by culpable conduct of the Customer, or

(b) Was not caused by the Authority's neglect, or

(c) The increase is needed to adjust a Balanced Billing Plan, or

(d) For Residential Customers, the Customer lodged a complaint in accordance with the provisions of the Tariff disputing the charges for service during the 24-month period. The Authority will send an adjusted bill within four (4) months of the resolution of the complaint, and

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.

h) 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.

i) Catch-up Bill for Nonresidential Customers

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

(1) The service was used during the current cycle, or

(2) Spread over all the cycles since the last actual reading.

IV. Billing Process and Payment of Bills (continued):

B. Computing a Customer's Bill (continued):
Back billing (continued):

j) Rebilling Estimated Demand

(1) The Authority will base revised estimated demands on the best available information, including the Customer's past and present demand history and load factor.

(2) The Authority will not upwardly revise an estimated demand unless, during the period the demand was estimated, the Authority complied with its meter-reading requirements and no-access procedures.

(3) The Authority will only upwardly revise an estimated demand within sixty (60) days after an actual reading that shows that the estimated demand is less than the actual demand.

(4) The Authority will downwardly revise an estimated demand within thirty (30) days of an actual reading that shows that the estimated demand is greater than the actual demand.

(5) The Authority will not upwardly revise an estimated demand to more than 95 percent of the actual demand shown on the next actual reading, unless:

(a) The Customer failed to make and keep a special appointment for a meter reading offered by the Authority and enclosed with the regular estimated demand bill.

(b) In that case, the Authority may upwardly revise the estimated demand to 100 percent of the actual demand shown on an actual reading.

IV. Billing Process and Payment of Bills (continued):

[CANCELLED]

IV. Billing Process and Payment of Bills (continued):

B. Computing a Customer's Bill (continued):

5. Customer Policies Related to Prolonged Outages

a) Definitions Applicable Under this Rule Only:

(1) Prolonged Outage occurs when a Customer has experienced an electric power outage resulting from a Widespread Prolonged Outage Event (c) spanning more than 72-hours due to Authority-owned equipment unable to provide service.

(2) Widespread Prolonged Outage Event means an electric power outage event meeting the following criteria: (a) The event impacts at least 20,000 customers at the same time; (b) The event involves Customers who remain without power for 72 Hours or more due to Authority-owned equipment unable to provide power.

(3) Itemized List means a list of perishable food and/or prescription medication spoilage, including the name of the items and the price of the items.

(4) Proof of Loss means verifiable proof of perishable food and/or prescription medication spoilage. To verify spoilage, the Customer must provide an itemized list of perishable food and/or prescription medication spoilage and a depiction (photographic evidence) of food and/or prescription medication spoilage. To determine the reimbursement amount of an impacted Customer's food and/or prescription medication spoilage, the Customer must provide at least one of the following: itemized receipts, itemized cash register receipts, itemized credit card receipts, photographs of replacement goods that also indicate the price of the item, or other verifiable documentation of the market value of the item. In appropriate circumstances, an interview with the claimant to ascertain the above information may satisfy the need to provide Proof of Loss.

b) Bill Credits:

(1) In case that the LIPA system experiences a Widespread Prolonged Outage Event, the Authority will credit Customers' in SC1, SC1-VTOU, SC2, SC-2VMRP, SC2-L, SC-2LVMRP and SC-2MRP, that experienced a Prolonged Outage, for their Service Charge per day. Credits will apply to any Customer the Authority knows or reasonably believes was out of service for a period exceeding 72-hours and upon request from any Customer that contacts the company and credibly claims they experienced an outage of such duration. The credit will be equal to the Service Charge per day according to the Customer's assigned Service Classification identified in the Tariff, multiplied by the number of days (24-hour periods) the Customer experienced a Prolonged Outage.

(2) In case that the LIPA system experiences a Widespread Prolonged Outage Event, the Authority will credit Customers' in SC1, and SC1-VTOU, that experienced a Prolonged Outage, twenty-five dollars ($25) for each subsequent 24-hours of service outage that occurs after the initial three (3) calendar days of that Customer's outage (i.e. the credit will be applied per 24-hours, starting after the 72ND-hour of the Customer's outage).

IV. Billing Process and Payment of Bills (continued):

B. Computing a Customer's Bill (continued):
Bill Credits (continued)

(3) In case that the LIPA system experiences a Widespread Prolonged Outage Event, the Authority will credit Customers' in SC1, and SC1-VTOU, that experienced a Prolonged Outage, for spoiled food up to two hundred and thirty-five dollars ($235) if the Customer provides an Itemized List, or up to five hundred and forty dollars ($540) if the Customer provides Proof of Loss for any food spoiled due to lack of refrigeration resulting from an outage exceeding 72-hours.

(4) In case that the LIPA system experiences a Widespread Prolonged Outage Event, the Authority will credit Customers' in SC1, and SC1-VTOU, that experienced a Prolonged Outage, for spoiled prescription medication up to the amount of the actual loss if the Customer provides an Itemized List and Proof of Loss for any prescription medication spoiled due to lack of refrigeration resulting from an outage exceeding 72-hours.

(5) In case that the LIPA system experiences a Widespread Prolonged Outage Event, the Authority will credit Customers' in SC2, SC-2VMRP, SC2-L and SC-2LVMRP with maximum recorded demands of 40kW or less that experienced a Prolonged Outage, for spoiled food up to five hundred and forty dollars ($540) if they provide an Itemized List and Proof of Loss for any food spoiled due to lack of refrigeration resulting from an outage exceeding 72-hours.

(6) To receive reimbursement for food spoilage and prescription medication spoilage pursuant to this section, Customers are to provide the Authority with Itemized Lists and/or Proof of Loss within fourteen (14) days following the end of the Widespread Prolonged Outage Event. The Authority will provide reimbursement as a bill credit within forty-four (44) days from the ending of the Widespread Prolonged Outage Event. For any bill credits that exceed the Customer's bill, any remaining credit will be carried over into future bills.

(7) If LIPA staff determines that application of credits and reimbursements as provided in subsections b)(2) to b)(6) above is not "fair, reasonable, and in the public interest", it may request that the Department of Public Service issue a recommendation to the LIPA Board of Trustees or LIPA CEO for waiver of those provisions.

c) Collection-Related Activities

(1) All collection-related activities including terminations of service for non-payment, with the exception of the issuance of service termination notices and assessment of security deposits, will be suspended for customers the Authority knows or reasonably believes to have experienced an outage exceeding 72-hours during a Widespread Prolonged Outage Event. The suspension will last for a minimum of seven (7) calendar days from the beginning of the Widespread Prolonged Outage Event.

(2) All collection-related activities including terminations of service for non-payment, with the exception of the issuance of service termination notices and assessment of security deposits, will be suspended for a minimum of fourteen (14) calendar days from the beginning of a Widespread Prolonged Outage Event for any residential or Nonresidential Customer who notifies the Authority and provides evidence that their financial circumstances have changed because of the Widespread Prolonged Outage.

IV. Billing Process and Payment of Bills (continued):

C. Charges for Miscellaneous Services:

1. Pole Attachment

The Authority will provide rental space to CATV and telecommunications companies for the purpose of installing cables, wires, amplifiers and wireless equipment to specific Authority-owned poles, within an agreed area on the pole. A contract may be made between the Authority and each CATV or telecommunications company outlined in the "Definitions of Space Allocation on LIPA Distribution Poles" for attaching cables, wires, amplifiers and wireless equipment.

The annual charge for pole attachments to utility poles by cable television systems and other wire line systems that occupy the same space on the pole is $13.62 per pole per year, plus the applicable amounts for payments in lieu of revenue taxes.

The annual charge for attachments of wireless facilities to utility poles and towers prior to January 1, 2020 are subject to negotiation on a case-by-case basis of a written agreement between the party seeking the attachment(s) and the Authority. The charge for attachments of wireless facilities to utility poles and towers located in Public Right-of-Way, authorized on or after January 1, 2020, is $13.62 per foot times the number of feet on the pole occupied by the wireless equipment, per year, plus the applicable amounts for payments in lieu of revenue taxes. For each piece of wireless equipment attached, the occupied space measurement shall reflect the overall length of the equipment and mounting hardware plus six inches, rounded up to the next whole foot. The number of feet occupied for wireless communication facilities shall exclude conduits, risers, and electrical meters.

The annual charge for decorative, festival, holiday attachments that are seasonal or temporary, and for attachments under Service Classification No. 10 is $7.04 per pole per year, plus the applicable amounts for payments in lieu of revenue taxes, which may be prorated on a daily basis for attachments that are in place for less than one (1) year. The Authority may require that attachments be made pursuant to the terms of a written agreement with the Authority which permits attachment to utility poles and towers. Consistent with the Authority's written policy, the Authority may waive the pole attachment fee for temporary or seasonal attachments that support a patriotic, civic, or ceremonial purpose, or where the tangible value of the attachment is nominal to both parties.

2. Interest on Customer Deposits

The Authority will pay interest on Customer Deposits at the applicable annual rate specified on a Statement of Interest on Customer Deposits to be prepared and maintained on file by the Authority. The rate will be derived by subtracting a 1.75% administrative cost allowance from the current yield on "A" rated intermediate-term municipal debt. The rate will be updated on January 1 of each year to reflect current market conditions.

3. No-Access Charge

The Authority's charge when it cannot gain access to the Customer's meter after attempts to do so will be:

(a) $25 per month for Residential accounts
(b) $100 per month for Nonresidential accounts

IV. Billing Process and Payment of Bills (continued):

C. Charges for Miscellaneous Services (continued):

4. Uncollectible Payment Handling Charge
The Authority will charge the Customer a twenty dollar ($20) handling charge plus applicable taxes and assessments. This handling charge includes any amount the Authority paid to its bank for handling the instrument if it receives a check or other negotiable financial instrument in payment for any bill, charge, or deposit that is not collectible, for any reason.

5. Late Payment Charge
The Authority's charge for late payment of bills for the accounts of all Customers as specified in Section IV. D. 4 will be one and one-half percent (1.5%) for each monthly billing period to all amounts billed, but for which the Authority has not received payment by the "Pay by" date on the bill, which will be not less than twenty (20) days after the date payment is due. Residential customers are not responsible for late payment charges on amounts billed, if the bill is subject to a pending complaint with the Department of Public Service or the Manager pursuant to Section VI. of the Tariff, except that any such late payment charge may be imposed retroactively if the complaint is finally resolved in favor of the Authority. The Authority may suspend the imposition of Late Payment Charges in the event a state of emergency affecting the service territory is declared.

6. Field Collection Charge
The Authority's Field Collection Charge will be fifty-nine dollars ($59) (see Section V.B.11.d on Leaf No. 124). The Field Collection Charge will be applicable to Nonresidential Customers.

7. Reconnection Charge
The Authority's Reconnection Charge will be eighty dollars ($80) (see Section V.H.3 on Leaf No. 156). The Reconnection Charge will be applicable to both Residential and Nonresidential Customers. The Authority may suspend the imposition of Reconnection Charges in the event a state of emergency affecting the service territory is declared.

8. Service Initiation Charge
   a) The Service Initiation Charge will be applicable to Nonresidential Customers only. (see Section II.D.5.b on Leaf No. 49).

   b) The Authority's charges to initiate service to Nonresidential Customers are:

      (1) Two hundred and twenty dollars ($220) when the Authority has to perform a new service connection or reconnection, set or re-set a meter, or unlock the service equipment to energize the connection to a Customer's premise.
      (2) Sixty dollars ($60) in all cases where service or meter connections are not required.

   c) The Service Initiation Charge will not be applied to new customers who take service under Service Classification No. 5 - Traffic Signal Lighting, 7A – Outdoor Area Lighting – HPS (High Pressure Sodium) and MH (Metal Halide), 10 – Public Street and Highway Lighting Energy and Connection, Seasonal Rates (Rate Codes 283 and 293) and unmetered service under Rate Code 280.

   d) The Service Initiation Charge will not be applied to an account transferred to a landlord for the time period between the termination of the account by the prior tenant and the establishment of a new electric account for a new tenant in the same location, with the following exceptions:

      (1) If the account's usage exceeds six (6) kWh per day in any subsequent billing period while in the landlord's name, the Service Initiation Charge of sixty dollars ($60) will apply.
      (2) If the conditions described in IV.C.8.b.exist, the Service Initiation Charge of two hundred and twenty dollars ($220) will apply.

IV. Billing Process and Payment of Bills (continued):

C. Charges for Miscellaneous Services (continued):

9. Charges for the Extension of Overhead and Underground Distribution Facilities in Excess of Standard Length Allowances

a) Standard distribution charges will be shown on a separate Statement of Distribution Facility Charges attached to the Tariff. The costs shown on the statement will be:

(1) Based on current construction prices incurred by the Authority or from a negotiated contract with a third-party provider, and

(2) Updated with changes in the prices referenced in C.9.a)(1) above, and

(3) Used to determine the cost obligations of the Applicant.

IV. Billing Process and Payment of Bills (continued):

C. Charges for Miscellaneous Services (continued):

[CANCELLED]

IV. Billing Process and Payment of Bills (continued):

C. Charges for Miscellaneous Services (continued):

10. Meter Reading Historical Information:

a) Customers, ESCO's and DRC's may request and will be provided, if available, up to twenty-four (24) months of monthly or bi-monthly historical meter reading information without charge. Monthly or bi-monthly historical meter reading information for historical periods beyond the twenty-four (24) months will be provided, as available, for a charge of forty dollars ($40.00) regardless of the number of months of information requested or provided. Hourly or 15-minute interval data covering any historical monthly period will be provided, if available, at a charge of ten dollars ($10.00) for each meter reading period's requested data.

b) Customers who request their remote AMI meter reading data to be provided to them on a monthly basis will individually enter into a negotiated price agreement with the Authority.

AMI Customers can retrieve all available meter data from the Manager's Website at no charge. Where available AMI will be used to collect meter data and measure net electricity transactions.

c) Upon written request from a prospective tenant or lessee, the Authority will provide, at no cost, the total electricity charges incurred at the prospective residential rental premises for the life of the premises, or the preceding two-year period, whichever is shorter. Prior to the commencement of the tenancy or execution of a lease, the Manager will provide such information to the landlord or lessor and to the prospective tenant, or other authorized person, within ten (10) days of receipt of the written request. The written request needs to include an email address where the requested data can be sent.

11. Metering Related AMI Charges:

a) Residential Service Classification No.1 Customers (Rate Codes 180 and 580) who are eligible to opt-out from installation of a smart meter (see Section III.E.5) but did not opt-out until after installation will be subject to a one-time fee (One Time Meter Removal Fee) as per the Statement of AMI Smart Meter Fees.

b) Beginning August 1, 2022, Customers who have opted out of receiving an AMI equipped smart meter will be subject to a daily opt-out fee (AMI Smart Meter Daily Opt-Out Fee) as per the Statement of AMI Smart Meter Fees.

IV. Billing Process and Payment of Bills (continued):

D. Payment of Bills

1. Payment Due Date

   a) Payment is due upon receipt of the bill if hand delivered, or three (3) days after the mailing of the bill.

   b) The “Pay by” date, which is not less than twenty (20) days after the date payment is due, will appear on the bill. After that date, the payment is considered late for purposes of determining late payment charges and other actions as defined in the Tariff.

   c) Payment may be made by mail or in person at any business office of the Authority, or to an authorized payment agency of the Authority.

2. Billing Options

   a) Regular Billing

      (1) The Customer is billed on a monthly basis for electricity consumed within the billing period (the first bill may be estimated), or

      (2) The Customer is billed on a bimonthly basis (every two (2) months) for electricity consumed, which may be estimated, within the billing period.

   b) Balanced Billing

      A Balanced Billing Plan is a billing plan designed to reduce fluctuations in a Customer’s bill payments due to varying patterns of consumption, charges and overall cost. Customers may request Balanced Billing at any time. The estimated total charges for a twelve (12) month period will be averaged over twelve (12) months and may be paid in twelve (12) monthly installments.

      (1) Authority's Obligation to Offer a Balanced Billing Plan

      The Authority will offer a voluntary Balanced Billing Plan, designed to reduce fluctuations in payments caused by seasonal patterns of consumption, to its eligible Customers at least once in each twelve-month (12) period.

      (2) Eligibility Requirements

      In order to be eligible for a Balanced Billing Plan, Customers must have twelve (12) months of billing history available to accurately project the estimated total yearly charges. If twelve (12) months of billing data are not available for the Residential Customer then twelve (12) months of billing data for the premises shall be used. If the twelve (12) months of billing data are not available for the premises then the Authority shall estimate future consumption over the next twelve-month (12) period. For Net Metering Customers, this usage history must be derived from billing periods during which the Customers were enrolled in net metering.

IV. Billing Process and Payment of Bills (continued):

D. Payment of Bills (continued):
Balanced Billing (continued):

In addition, to be eligible, Customers must be one of the following:

(a) Residential;

(b) Condominium Associations;

(c) Cooperative Housing Corporations; and

(d) Nonresidential Customers whose use of electricity is consistent enough to be estimated on an annual basis.

(3) Ineligible Customers

(a) Nonresidential Customers who have had service for less than twelve (12) months;

(b) Seasonal, Short-term, or Temporary Customers;

(c) Customers served under Service Classification No.2-MRP;

(d) Customers whose Balanced Billing Plan was cancelled during their current plan year and therefore may be ineligible for a new Balanced Billing Plan until their current plan year ends;

(e) Nonresidential Customers who have arrears; and

(f) Customers whose use of electricity is not consistent enough to be estimated on an annual basis.

(4) Cancellation of the Balanced Billing Plan

(a) A Customer may cancel their Balanced Billing Plan at any time and the Authority will issue a final Balanced Billing Plan bill no later than the Customer's next regular billing cycle.

(b) The Balanced Billing Plan may also be terminated by the Authority if the Customer's service is cancelled or if the Customer's account is no longer in good standing, provided that the Authority has given the Customer an opportunity to become current in payment, if delinquency is the cause of the Customer's ineligibility. Furthermore, Residential Customers whose Balanced Billing Plan was terminated due to delinquency will be offered an opportunity by the Authority to reinstate Balanced Billing provided, the Residential Customer goes on a Deferred Payment Agreement to pay off the arrears on the account. Any amount due to the Authority or payable to the Customer will be added or deducted from the amount due in the Customer's next regular billing cycle.

IV. Billing Process and Payment of Bills (continued):

D. Payment of Bills (continued):
Balanced Billing (continued):

(5) Balanced Billing Monthly Charge resets:

(a) Residential:
A review comparing the actual cost of service and the Balanced Billing Monthly Charge amount will be made every six (6) months in the plan year. If the adjusted amount is within 20 percent more or less than the original amount, there will be no change in the Customer's Balanced Billing Monthly Charge. If the adjusted amount is greater than 20 percent more or less than the original amount, the Customer's Balanced Billing Charge may be reset at the option of the Authority. If a Balanced Billing Monthly Charge reset is warranted, the Customer will be notified in advance.

(b) Nonresidential:
A review comparing the actual cost of service and the Balanced Billing Monthly Charge amount will be made every quarter in the plan year to minimize an adjustment of the levelized bill, upwards or downwards, and to minimize the final adjustment at the end of the plan year. If, pursuant to such review, the Authority determines that a Balanced Billing Monthly Charge reset is warranted, the Balanced Billing Monthly Charge will be reset.

(c) When the Balanced Billing Monthly Charge is reset, the Customer must be provided with a general description of such revision calculation, and a telephone number to call the Authority or its Manager for a detailed explanation of the reset amount.

(6) End of Plan Year Remaining Balance:

(a) Residential:
Any remaining balance due to the Customer will, at the Customer's option, be posted on the Customer's next regular bill provided the credit does not exceed the Balanced Billing Monthly Charge amount for the next cycle bill. In the event the Customer elects to receive a bill credit, remaining balances in excess of the Customer's Balanced Billing Monthly Charge will be paid to Customer via refund check. Alternatively, the Customer may elect to receive a refund check for any credit balance within thirty (30) days of the rendering of the final Balanced Billing settlement bill.

Any remaining balance due to the Authority will be handled in the following manner depending on whether or not the Customer's account is in good standing.

(1) Customers in good standing may elect to roll the remaining balance into the calculation of the next Balanced Billing plan year or pay the balance due to the Authority on the Customer's next regular bill. Customers who do not elect an option will have their remaining balance rolled into their next Balanced Billing Plan year.

(2) Customers not in good standing will have their remaining balance due to the Authority posted on their next regular bill unless the Customer accepts the Authority's or its Manager's offer of a Deferred Payment Agreement to pay the remaining balance on the account.

IV. Billing Process and Payment of Bills (continued):

D. Payment of Bills (continued):
Balanced Billing (continued):

(b) Nonresidential:

Any remaining balance due to the Customer will be posted on the Customer's next regular bill provided the credit does not exceed the Balanced Billing Monthly Charge amount for the next cycle bill. Remaining balances in excess of the Customer's Balanced Billing Monthly Charge will be paid to the Customer and may not be included on the Customer's next regular bill. Alternatively, the Customer may elect to receive a refund check for any credit balance within thirty (30) days of the rendering of the final Balanced Billing settlement bill.

Any remaining balance due to the Authority will be posted on the Customer's next regular bill.

IV. Billing Process and Payment of Bills (continued):

D. Payment of Bills (continued):

3. Overpayment by Customers

a) Definition of Overpayment

An overpayment is the amount a Customer paid over the correct amount for actual service rendered to the Customer, if the Authority made a billing error and the Customer paid the bill.

b) Credit or Refund of Overpayments

(1) If the Customer has overpaid due to a billing error, the Authority may credit the Customer's account up to the amount of the Balanced Billing payment or estimated amount of the next cycle bill, and

(2) The Authority will issue a refund check, within thirty (30) days of the next regular bill cycle, for any overpayment above that amount.

(3) In any case, the Authority’s obligation to refund overpayments and interest shall be limited to a six (6) year period measured from the date of filing of the Customer’s complaint with the Authority.

c) Interest on Overpayments by Customers

(1) The Authority will pay the Customer interest on any overpayment made due to a billing error, except if the Authority refunds the overpayment within thirty (30) days of receiving it.

(2) The interest rate will be equal to the higher of the unadjusted rate paid on Customer deposits or the rate of interest used to calculate any applicable late payment charge.

IV. Billing Process and Payment of Bills (continued):

D. Payment of Bills (continued):
Overpayment by Customers - Interest on Overpayments (continued):

(3) The Authority will pay the interest on the overpayment amount, adjusted for any change in the deposit rate and compounded monthly, from the date the Customer made the overpayment until the date the overpayment is refunded.

(4) The Authority will not pay interest on NYSERDA Loan Installment overpayments.

4. Charges For Late Payments

a) The Authority will apply a late payment charge to the accounts of all Customers, as described in Section IV.C, above, and

b) Late payment charges will apply to all amounts billed, including:

(1) Arrears

(2) Balanced Billing amounts

(3) A balance due from a Deferred Payment Agreement with a Nonresidential Customer

(4) Unpaid late payment charges from previous months

(5) Backbilling for service delivered through tampered equipment, if the Authority can show that:

(a) The tampering began on or after the date the Customer started receiving service, or

(b) The Customer actually knew or could be expected to know that the original bill was incorrect.

c) With regard to State Agencies, late payment charges are governed by the provisions of Article XI-A of the State Finance Law.

5. Uncollectible Payment

If the Authority receives a check or other negotiable financial instrument in payment for any bill, charge, NYSERDA Loan Installment Charge or deposit, and the instrument is not collectible, for any reason, the Authority will

a) Charge the uncollectible payment amount back to the Customer's account, and

b) Treat the Customer's account as though no payment was ever received by the Authority, and

c) Charge the Customer an uncollectible payment handling charge which includes any amount the Authority paid to its bank for handling the instrument. The Authority's "Uncollectible Payment Handling Charge" is stated in Section IV.C.4, Leaf No. 106.

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 the 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 NYSERDA 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:

A. Reasons for Termination of Service:

1. Emergency Situations

   a) The Authority may interrupt, limit, or disconnect service to a building, unit, or equipment when:

      (1) An emergency threatens the health or safety of a person, a surrounding area, or the Authority's system, or

      (2) The Authority needs to make permanent or temporary repairs, changes, or improvements in any part of the system, or

      (3) The Authority is ordered to by a governmental agency having jurisdiction.

   b) The Authority will try to give advance notice to Customers whose service will be interrupted for reasons in *a.* above.

   c) The Authority will restore service as soon as possible in an emergency situation even if termination of the Customer's service is pending for other reasons.

2. Non-Emergency Situations

   The Authority may terminate service, enter the premises, and remove the meter and all other related accessory equipment installed by the Authority at the Customer's or Access Controller's premises, if the Customer:

   a) Breaks any of the terms and conditions of the Tariff or any agreement for electric service. Unless otherwise stated, the Authority may terminate service five (5) days after issuing a written notice to the Customer.

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 the 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 the 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.

(7) 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):

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

(8) For Nonresidential Customers, the Authority may terminate service:

(a) At least five (5) days after issuing a Final Termination Notice to the Customer in person, or

(b) At least eight (8) days after mailing a Final Termination Notice, with a post-paid envelope, to the Customer at the address where service is provided or to an alternate address given in writing by the Customer to the Authority for billing purposes, or

(c) At least five (5) days after the Customer has either signed for or refused a registered letter, containing the Final Termination Notice, sent to the Customer at the address where service is provided or to an alternate address given in writing by the Customer to the Authority for billing purposes.

e) Does not provide reasonable access to the premises for necessary work, after the Authority followed the No-Access procedures.

f) Receives service through tampered equipment. The Authority may terminate such service without advance notice to the Customer if the Authority:

(1) Has evidence that the Customer opened the account and used service before the tampering began, or that the Customer knew, or should have known, that service was not being billed completely, and

(2) Has issued an unmetered-service bill, and

(3) Has made reasonable efforts to give a person in charge of the premises:

(a) The written unmetered-service bill, and

(b) Oral notice of what the Authority requires to continue service to the Customer, including payment by cash, certified check, or money order within two (2) hours of up to, but not more than 50 percent of the amount owed, and

(4) Has not been paid.

V. Termination of Service (continued):

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

g) Pays With a Bad Check. If the Customer pays the amount required to avoid termination with a bad check, the Authority may terminate service without further notice.

h) Uses Equipment That Causes Interference. The Authority will terminate service if electricity is used by the Customer with equipment which has a negative effect on or interferes with the operation of facilities of the Authority, of its Customers, or of another public service company.

i) Displays Illegal Illuminated Highway Signs. The Authority will terminate service to illuminated outdoor advertising signs, displays, or devices within fifteen (15) days of receiving a written notification and request for termination of service signed by an authorized official of the New York State Department of Transportation, if the termination will not have a negative effect on electric service supplied for any other purpose. The notification will state:

(1) That such signs, displays, or devices are illegal under Section 88(8) of the New York State Highway Law, and

(2) That the signs, displays, or devices in question are illegal and the required 30-day notice has been given, according to Section 88(8) of the Highway Law, and

(3) That the required 30-day notice has not been postponed, changed, or canceled, and

(4) The date the Department of Transportation plans to remove the illegal sign, display, or device, and

(5) That the Department of Transportation will reimburse the Authority for the full costs and expenses of terminating service to the illegal sign, display, or device.

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer:

1. Termination Dates for Residential Customers

   a) The Authority will not terminate service for nonpayment until at least fifteen (15) days after the Customer has received the Final Termination Notice.

   b) The Authority will not issue a Final Termination Notice until at least twenty (20) days after payment was due.

2. Delivery of the Final Termination Notice to Residential Customers

   The Final Termination Notice will be:

   a) Given personally to the Customer, or

   b) Mailed to the Customer at the service address, or

   c) Mailed to the service address and to the Customer at an alternate address given in writing to the Authority, or

   d) Mailed to the Customer at an alternate address and:

      (1) Given personally to an adult resident of the service address, or

      (2) Explained to an adult resident of the service address on the telephone, or

      (3) Posted in an easily noticed place at the service address.

3. Notifying a Third Party Before Termination of Residential Service

   a) The Residential Customer may choose a third-party to receive all notices about termination or other credit actions.

   b) The third-party must agree in writing to accept these notices.

   c) The Authority will inform the third-party that acceptance of the notices does not mean acceptance of any responsibility for service provided to the Customer.

   d) The Authority will notify the Customer if the third-party refuses or cancels acceptance of the notices.

   e) The Authority will notify Customers annually that the third-party notice procedure is available.

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):

B. Obligations of the Authority Before Terminating Service to a Customer (continued):

6. Content of Final Termination Notices

Final Termination Notices will be written clearly, in nontechnical language, in a bilingual format (if practical), and will contain:

a) Large enough print to get immediate attention (a minimum of ten (10) characters per inch), such as:

THIS IS A FINAL TERMINATION NOTICE.

PLEASE BRING THIS NOTICE TO THE ATTENTION OF THE AUTHORITY WHEN PAYING THIS BILL.

b) The termination date, and

c) The reason(s) for termination, and

d) The total amount the Customer must pay to avoid termination, showing the amount owed on the account and/or the amount of deposit needed, and

e) Instructions to the Customer on how to pay the total amount owed to stop termination, and

f) A notice that the Authority has procedures for handling Customer complaints before termination that includes the address and telephone number of the business office the Customer may contact to discuss their account, and

g) A statement that the Authority, in certain cases, will not terminate electric service to a person receiving financial assistance from a local social services department, and

h) Instructions that a Residential Customer receiving such financial assistance inform the Authority, so that the Authority can determine if the service to the Customer may or may not be terminated, and

i) Instructions that Residential Customers should contact the Authority's business office immediately if an acute hardship or grave condition (e.g., death in the family, recent unemployment, serious illness or infirmity) exists, so that the Authority can decide if a temporary arrangement can be made to avoid immediate termination, and

j) A notice to Nonresidential Customers that payment of the charges with a bad check could result in immediate termination of service, without further notice, and

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Content of Final Termination Notices (continued):

k) A notice that, if the Nonresidential Customer wishes to pay the amount due when the Authority comes to terminate service, the payment may have to be in cash, certified check, or money order if the Nonresidential Customer has given the Authority a bad check within the last twenty-four (24) months, and

l) Information about using a Deferred Payment Agreement to avoid termination

7. Allowing Time for Payment and Verifying Payment

The Authority will not terminate service for nonpayment of bills or a deposit until it has:

a) Allowed enough time for the posting of payments made at any business office of the Authority or to any authorized collection agent, through the end of the fifteen-day notice period, and

b) Posted payment to the Residential Customer's account on the day it is received if the Customer states that this payment is in response to a Final Termination Notice, and

c) Processed the payment from a Residential Customer in a way that stops termination, and

d) Verified, on the day of termination, that payment has not been posted to the Customer's account on that day.

8. Termination Days

a) The Authority will not terminate service to a Residential Customer for nonpayment of bills or failure to pay a deposit on:

(1) A Friday, Saturday, or Sunday, or

(2) A Public Holiday as defined in the General Construction Law, or

(3) The day before a Public Holiday, or

(4) A day on which the business offices of the Authority or the Department of Public Service are closed for business, or

(5) The day before a day on which the business offices of the Authority or the Department of Public Service are closed for business, or

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Termination Days (continued):

(6) The two-week period around Christmas and New Year's Day.

b) The Authority will not terminate service to Nonresidential Customers on:

(1) A Saturday or Sunday, or

(2) A Public Holiday as defined in the General Construction Law, or

(3) A day on which the business offices of the Authority are closed for business

9. Termination Hours

a) For Residential Customers, the Authority will terminate service between 8:00 a.m. and 4:00 p.m. on days when termination may be done.

b) For Nonresidential Customers, the Authority will terminate service between 8:00 a.m. and 6:00 p.m. on days when termination may be done.

c) For Nonresidential Customers, the Authority will only terminate service after 3:00 p.m. on days before the days listed in B.8.b. above:

(1) If the Customer or person in charge of the premises is told by personal contact that termination is about to occur, and

(2) That the Authority will accept a check for any payment needed to avoid termination.

10. When the Customer Has Filed A Complaint

a) Service will not be terminated for reasons disputed by the Customer in a complaint pending before the Manager, the Department of Public Service, or the Authority's Chief Executive Officer (or their designee).

b) Service will be terminated twenty (20) days after:

(1) The Customer or the Customer's representative is notified of a decision by the Manager, the Department of Public Service, or the Authority's Chief Executive Officer (or their designee), by mail or by personal contact, and

(2) No further review of the decision has been sought or is available, and

(3) A final notice of termination has been issued to the Customer.

c) Service may be terminated for nonpayment of undisputed charges or for other reasons that are not part of the complaint.

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued):

11. Payment at the Time of Termination

a) The Authority will not terminate service for nonpayment when termination is about to take place if the Customer offers full payment of the amount owed that caused the scheduled termination.

b) The Authority will not terminate service to a Nonresidential Customer for nonpayment when termination is about to take place, if:

(1) The Customer claims that:

(a) Payment has been made and has a written business record of payment, or

(b) A complaint disputing the unpaid charges is pending, and

(c) The Authority field representative verifies these claims with an Authority office representative.

(2) The Customer offers full payment of the amount owed that caused the scheduled termination.

(3) An eligible Customer signs a Deferred Payment Agreement for the full amount owed that caused the scheduled termination and pays the required down payment.

(4) An eligible Customer pays the required down payment, goes to a business office, and signs the Deferred Payment Agreement within a specific time frame. If the Customer does not sign the Agreement in that time frame, the Authority may terminate service without further notice.

(5) The Customer pays the full amount owed that caused the scheduled termination in cash, with a certified check, or money order if the Customer has, in the last twenty-four (24) months, paid for service with a bad check.

c) Whenever payment is made at the time of termination, the Authority's field representative shall give the Customer a receipt showing the:

(1) Date

(2) Account number

(3) Name

(4) Address

(5) Amount received

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Payment at the Time of Termination (continued):

d) The Authority will charge a Nonresidential Customer a Field Collection Charge when:

(1) The Customer has been sent a Notice of Nonpayment and does not make a payment, and

(2) The Authority sends an agent to remove the meter or otherwise disconnect service, and

(3) The Customer, at that time, offers full payment or agrees to a Deferred Payment Plan, or

(4) The Customer's electric service has been terminated and the Customer then requests reconnection (see Section V.H.3 on Leaf No. 156).

(5) The Authority's "Field Collection Charge" is stated in Section IV.C.6.

12. Special Notifications to Social Services Officials

The Authority will keep a list of the social services officials in each county it serves to notify in the following situations:

a) The Authority has sent a Final Termination Notice to a Residential Customer who receives public assistance, supplemental security income benefits, or additional State payments under the Social Services Law.

(1) The Authority will notify the official that it does not have a guarantee of future payment from the local social services commissioner.

(2) The Authority will notify the official three (3) to five (5) days before the termination date that payment has not been made, a Final Termination Notice has been sent to the Customer, the amount owed, and the scheduled termination date.

(3) If the Authority notifies the official orally, it will send the official the written notice within one (1) business day.

b) The Authority has not received payment and has a guarantee of future payment from the local social services commissioner.

(1) The Authority will send a notice of nonpayment to the Customer and the local social services commissioner stating the amount owed.

(2) The notice will be sent when the Authority would usually send the Customer a Final Termination Notice.

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Special Notifications to Social Services Officials (continued):

c) The Authority has not received payment from a Customer who receives public assistance, supplemental security income benefits, or additional State payments, and the Authority believes the Customer may be affected by a special situation.

The notice will describe the observed special situation, state the amount owed and the termination date, if scheduled.

13. Special Termination Procedures and Protections For Medical Emergencies

a) Definitions of terms in this section:

(1) A Medical Emergency is a serious illness or medical condition that severely affects the well-being of a resident.

(2) Certification of a Medical Emergency is the written medical judgment of a medical doctor, physician assistant, nurse practitioner, or local board of health that a Medical Emergency exists.

(3) The Customer's inability to pay past due or current utility bills is based on the Customer's insufficient level of liquid assets and current income, after taking into account necessary and reasonable expenses for food, shelter, and medical expenses. The Customer shall provide information supporting their inability to pay on a form provided by the Authority.

b) The Authority will not terminate or refuse to restore service when a certified medical emergency exists, but the Customer must demonstrate their inability to pay before the certification of medical emergency can be renewed.

c) Certification of a medical emergency shall:

(1) Be done by a medical doctor, physician assistant, nurse practitioner, or local board of health, and

(2) Be written or provided by telephone, if the written certification is given to the Authority within five (5) business days, and

(3) Be submitted on the stationery of the medical doctor, physician assistant, nurse practitioner, or local board of health, and

(4) Be signed by the medical doctor, physician assistant, nurse practitioner, or an official of the local board of health, and

(5) State the name and address of the certifying doctor, physician assistant, nurse practitioner, or local board of health, and the doctor's State registration number, and

(6) State the name and address of the seriously ill person and the nature of the illness or medical condition, and

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Special Termination Procedures and Protections for Medical Emergencies (continued):

(7) Affirm that the lack of utility service would aggravate the illness or condition, and

(8) Be effective for thirty (30) days from the time the Authority receives oral or written certification, whichever is earlier.

d) When the Authority receives the first certification, it will notify the Customer in writing and provide information and forms for renewal of the certificate.

e) The certificate can be renewed if the medical condition is likely to continue past the thirty-day limit of the original certificate and if:

(1) A medical doctor or official of the local board of health states in writing the expected length of the medical emergency and explains the nature of the medical emergency and why the lack of utility service would aggravate the medical emergency, and

(2) The Customer demonstrates an inability to pay for service.

f) To demonstrate an inability to pay for service, the Customer must submit the required information on the proper form to the Authority before the original certificate expires and before each renewal expires.

(1) The Authority will decide, within five (5) days of receiving the information, if the information provided supports the Customer's inability to pay for service.

(2) If the Authority decides that the information provided does not show financial hardship, it will notify the Customer in writing of its decision.

(3) The Authority will not terminate service until it has made a decision.

g) A renewed certificate is in effect for thirty (30) days, unless a medical doctor or official of the local board of health certifies the condition as chronic, then the renewal will be in effect for sixty (60) days or a longer period approved by the Authority.

h) If the certification of medical emergency expires, or the Customer has an ability to pay for service, the Authority will send the Customer a Final Termination Notice fifteen (15) days before the termination date.

i) Life Support Systems

(1) The Authority will keep special files for Customers with Life Support Systems and tag their meters for identification.

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Special Termination Procedures and Protections for Medical Emergencies (continued):

(2) The Authority will continue to provide service needed to run a life support system for a Customer, providing

(a) Medical certification by a medical doctor or the local board of health is in effect and has not been canceled by the Authority, and

(b) The Customer demonstrates an inability to pay for service by submitting the required information on the proper form on a quarterly basis.

j) Customers receiving service under a medical emergency are liable for payment for the service and should make reasonable efforts to pay. The Authority is available to help the Customer work out payment arrangements to avoid large arrears when the medical emergency is over.

14. Special Termination Procedures and Protections for the Elderly, Blind, or Disabled

a) Definitions of terms in this section:

(1) An elderly Residential Customer is one who is at least sixty-two (62) years old and the other residents of the Customer's household are at least sixty-two (62) years old, less than eighteen (18) years old, blind, or disabled.

(2) A blind Residential Customer is one who has central visual acuity (sharpness) of 20/200 or less in the better eye with the use of a correcting lens and the other residents of the Customer's household are at least sixty-two (62) years old, less than eighteen (18) years old, blind, or disabled. An eye whose field of vision is limited to an angle of 20 degrees or less is considered to have a central visual acuity of 20/200 or less.

(3) A disabled Residential Customer is one who has a disability as defined in the New York State Human Rights Act (Executive Law, Section 292 [21]) and the other residents of the Customer's household are at least sixty-two (62) years old, less than eighteen (18) years old, blind, or disabled.

b) The Authority will not terminate or refuse to restore service to a Residential Customer it knows or learns is elderly, blind, or disabled (as defined above) without following the procedures in this section.

c) The Authority will make a diligent effort to contact an adult resident in the Customer's dwelling, by telephone or in person, at least seventy-two (72) hours before termination is scheduled, to develop a plan to avoid termination and arrange for payment of bills. The plan may include:

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Special Termination Procedures and Protections for the Elderly, Blind, or Disabled (continued):

(1) A Deferred Payment Agreement

(2) Payment or guarantee of payment by any governmental, social welfare agency, or private organization

d) If the Authority and the Customer cannot develop a plan, the Authority will contact the local department of social services and supply the name, address, and scheduled termination date of the Customer so that the agency can help develop a plan for the Customer.

e) The Authority will provide service for fifteen (15) days after referring the Customer to the agency, unless the agency notifies the Authority that payment or other arrangements have been made.

f) The Customer may ask the Authority to help develop a plan.

g) If service has been terminated, and the Customer or a third-party, on the Customer's behalf, notifies the Authority that the Customer is entitled to the protections in this section, the Authority will:

(1) Make a diligent effort, within twenty-four (24) hours of being notified, to contact an adult resident in the Customer's dwelling, by telephone or in person, to develop a plan to restore service and arrange for payment of bills.

(2) If the Authority is unable to make this contact within twenty-four (24) hours of being notified, it will try to make contact as soon as possible.

(3) If the Authority and the Customer cannot develop a plan, the Authority will contact the local department of social services and supply the name, address, and service termination date of the Customer so that the agency can help develop a plan for the Customer.

h) If service has been terminated according to the rules of this section, the Authority will:

(1) Make a diligent effort, within ten (10) days after termination, to contact an adult resident in the Customer's dwelling, by telephone or in person, to find out if other arrangements have been made for providing service, and

(2) Try to develop a plan to restore service and arrange for payments of bills if no other arrangements have been made.

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued):

15. Termination During Cold Weather Periods

a) Before the Authority terminates heat-related service to a Residential Customer for nonpayment during the Cold Weather Period, the Authority will try to contact the Customer or an adult resident at the Customer's dwelling to find out if termination will seriously impair the health or safety of a resident.

(1) The first contact attempt will be seventy-two (72) hours before the scheduled termination:

(a) By telephone, once during normal business hours and once between 6 p.m. and 9 p.m. on weekdays or between 9 a.m. and 5 p.m. on Saturdays and Sundays, or

(b) In person at the dwelling if the Customer was not contacted by telephone or does not have a telephone.

(2) The second contact attempt will be at the time of termination.

b) When the Authority contacts the Customer, the Authority will explain the reasons for termination and give the Customer information about the protections available in this section. The Authority will take steps to overcome a language barrier with the Customer.

c) The Authority will not terminate service, if it decides that termination would seriously impair the health or safety of a resident, until it notifies:

(1) The local social services commissioner orally and in writing, within five (5) days, of its findings, and

(2) Notifies the Customer that they have been referred to the local social services commissioner and gives the reasons, and

(3) The local social services commissioner, after investigation, notifies the Authority that termination will not seriously impair the health or safety of the resident, or that another way of protecting the resident's health and safety has been found, and

(4) The Customer remains liable for payment for the continued service until the local social services commissioner responds to the Authority, and the Customer should make reasonable efforts to pay, and

(5) If the local social services commissioner does not respond to the Authority within fifteen (15) business days of the referral, the Authority may terminate service to the Customer.

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Termination During Cold Weather Periods (continued):

d) For use in this section, the Authority defines a person whose health and safety might be seriously impaired by termination of service as a person who, because of serious mental or physical problems, might be unable to manage their own resources, carry out the activities of daily living, or protect themselves from neglect or hazardous situations without help from other people. The serious mental and physical problems include:

(1) Age, infirmity, or mental incapacitation, and

(2) Use of life support systems, such as dialysis machines or iron lungs, and

(3) Serious illness, and

(4) Physical disability or blindness, as defined in B.14.*a.* above, and

(5) Any other actual situations which indicate severe or hazardous health problems.

e) The Authority will train its field personnel to recognize situations where the health and safety of a Customer would be seriously impaired by termination.

f) If the Authority terminates service, and the Customer or a resident eighteen (18) or older was not contacted before termination, and the Customer does not contact the Authority by 12 noon the day after termination, the Authority will:

(1) Try to find out, by inspection or personal contact with an adult at the site:

(a) If the dwelling is still occupied, and

(b) If the situation could seriously impair the health or safety of a resident, and

(2) If the Authority decides that the health or safety of a resident is threatened, the Authority will:

(a) Immediately restore service, and

(b) Notify the local social services commissioner, as explained in B.15.*c.* above, or

(3) If the Authority is unable to have personal contact with the Customer or an adult resident at the dwelling and does not know if the residents have moved out, the Authority will notify the local social services commissioner, as explained in B.15.c. above.

g) The Authority will designate an employee(s) to work with the local social services departments on Customer health, safety, cold weather, and payment issues.

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Termination During Cold Weather Periods (continued):

h) If the Authority decides to terminate service to a residential Customer because a theft of service has occurred or the service is supplied through a tampered meter or service lateral in a unsafe way, the Authority will:

(1) Determine if the health or safety of a resident would be seriously impaired by termination of service, following the procedures in B.15.*a.,b.* above, and

(2) If the Authority decides that termination of service would seriously impair the health or safety of a resident, it will follow the procedures in B.15.*a.,b.,c.,*and *f.* above, but

(a) The Authority will not continue service if it cannot promptly eliminate the unsafe condition, and

(b) The Authority will terminate service and specially notify the local social services commissioner on the termination date and request immediate attention to the case.

i) The Authority will not terminate service during the Cold Weather Period and will apply the special protections of this section to Customers identified as unable to handle everyday functions and responsibilities, or protect themselves from neglect or dangerous situations without the assistance of others (See B.15.d. above).

(1) Such Customers may be identified through the required annual notification of rights, by a local social services office, office for the aging, board of health, or other responsible agency or person, or an Authority employee, and

(2) The Authority will notify and explain to the local social services commissioner that termination would seriously impair the health or safety of the Customer, and

(3) The Authority will continue service for fifteen (15) business days after the oral or written referral, unless the social services department notifies the Authority that proper payment or other arrangements have been made. Service will continue if reasonable doubts arise.

(4) Customers receiving this continuation of service are liable for payment for the service and should make reasonable efforts to pay.

16. Annual Survey of Former Residential Customers Whose Service Has Been Terminated

a) Between September 1 and November 1 of each year, the Authority will survey all former Residential Customers, including qualifying supplemental heating Customers, whose heat-related service was terminated during the twelve-month (12) period ending on November 1 of that year and has not been restored. The survey will not include abandoned buildings or Customer-requested turnoffs.

V. Termination of Service (continued):

B. Obligations of the Authority Before Terminating Service to a Customer (continued): Annual Survey of Former Residential Customers Whose Service Has Been Terminated (continued):

b) The purpose of the survey is to find out if continued termination will seriously impair the health or safety of the former Customer.

c) If the Authority decides that the former Customer's health or safety is likely to be impaired, it will restore service immediately and follow the procedures in B.15.a.,b., and c. above, unless

(1) The Customer refuses to allow the service to be restored, or

(2) It is impractical for the Authority to eliminate an unsafe condition in theft or tampering situations.

d) If the Authority cannot contact the Customer or an adult resident, or the Customer refuses to have service restored, the Authority will:

(1) Immediately refer the name and address to the local commissioner of social services, following the procedures in B.15. c. above, unless

(2) The Authority believes the former Customer has vacated the dwelling.

V. Termination of Service (continued):

C. Termination of Residential Service to Two-Family Dwellings Serviced Through a Single Meter:

1. Definition of a Two-Family Dwelling

   A building designed for and occupied by only two (2) families living separately, whether or not the building receives a residential or commercial rate under the Authority's Tariff.

2. Identification of Two-Family Dwellings With a Single Meter

   The Authority will identify and keep records of two-family dwellings with single meters when it learns of this situation from a Customer, occupant, or other person.

3. Termination Dates

   a) The Authority will not terminate service for nonpayment until at least fifteen (15) days after the Customer has received the Final Termination Notice.

   b) The Authority will not issue a Final Termination Notice until at least twenty (20) days after payment was due.

4. Delivery of the Final Termination Notice

   Copies of the Final Termination Notices will be:

   a) Mailed to the owner of the premises, or

   b) Mailed to the person who was sent the last bill, and

   c) Mailed or delivered to each occupied unit, and

   d) Posted where it can be seen easily in or at the dwelling.

5. Content of Notice of Termination

   Final Termination Notices will be written clearly, in nontechnical language, in a bilingual format (if practical), and will contain:

   a) Large enough print to get immediate attention (a minimum of ten (10) characters per inch), such as:

      THIS IS A FINAL TERMINATION NOTICE.

      PLEASE BRING THIS NOTICE TO THE ATTENTION OF THE AUTHORITY WHEN PAYING THIS BILL.

   b) The termination date, and

V. Termination of Service (continued):

C. Termination of Residential Service to Two-Family Dwellings Serviced Through a Single Meter (continued):
Content of Notice of Termination (continued):

c) The reason(s) for termination, and

d) The total amount the Customer must pay to avoid termination, showing the amount owed on the account, and

e) Instructions to the Customer on how to pay the total amount owed to stop termination, and

f) A notice that the Authority has procedures for handling Customer complaints before termination, including the address and telephone number of the business office the Customer may contact to discuss their account, and

g) A notice that there are special protections for occupants of two-family dwellings service through a single meter, and

h) A notice that the Authority's staff can give information and advice, and

i) A notice that subdivision (1) of Section 235-a of the Real Property Law allows occupants to deduct payments to the Authority from their rent payments in this situation.

6. Allowing Time for Payment and Verifying Payment (See V.B.7.)

7. Termination Days (See V.B.8.)

8. Termination Hours (See V.B.9.)

9. When the Customer Has Filed A Complaint (See V.B.10.)

10. Payment at the Time of Termination (See V.B.11.)

11. How Occupants of Two-Family Dwellings Can Avoid Termination of Service

a) An occupant can apply for and receive service (See II.A.) in their own name and be responsible for future payments. The occupant may not be an agent of the Customer of record.

b) An occupant can pay the current charges and will not be responsible for future charges.

(1) If the premises is billed monthly, the current charges will be for service provided two (2) months before the termination date on the Final Termination Notice.

(2) If the premises is billed bimonthly, the current charges will be no more than the most recent bill for service.

V. Termination of Service (continued):

C. Termination of Residential Service to Two-Family Dwellings Serviced Through a Single Meter (continued):
How Occupants of Two-Family Dwelling Can Avoid Termination of Service (continued):

(3) If an occupant pays the current charges, the Authority will continue to send all bills to the Customer of record and will send copies of these bills to any occupant upon request.

(4) Current charges for purposes of this subsection do not include NYSERDA Loan Installment Charges.

12. Notification to Occupants That Overdue Bills Have Been Paid

If a Final Termination Notice has been sent to a two-family dwelling serviced through a single meter, and the outstanding bills have been paid, the Authority will notify the occupants by:

a) Mail or other delivery method, or

b) Posting a notice where it can be seen easily in or at the dwelling.

13. Termination During Cold Weather Periods

If the Authority intends to terminate heat-related service to two-family dwellings serviced by a single meter during the Cold Weather Period, the Authority will:

a) Send the Final Termination Notice at least thirty (30) days before the termination date, and

b) Outside of cities of more than one million (1,000,000) people:

(1) Provide each occupant with a written notice at least ten (10) days before the termination date.

(a) The notice will advise the occupants with serious illnesses or medical conditions that could be seriously affected by the loss of heat to contact the Authority immediately, and

(b) The notice will contain the name and telephone number of the contact person at the Authority, and

(2) Conduct an on-site interview with the occupant, and

(a) Refer cases of likely serious impairment to health or safety to the local department of social services, and

(b) Ask the agency to investigate the cases, and

V. Termination of Service (continued):

C. Termination of Residential Service to Two-Family Dwellings Serviced Through a Single Meter (continued):
Termination During Cold Weather Periods (continued):

(3) Continue, for fifteen (15) days after the referral, to provide heat-related service to the building or otherwise provide heat to the person likely to suffer serious impairment, and

(4) Continue, during the Cold Weather Period, to provide heat-related service to the building or to the affected person until informed by the local department of social services that other arrangements have been made to safeguard the health and safety of the occupant or that the claimed threat to health or safety is not valid, and

(5) If other arrangements have been made or the claim is not valid, the Authority will:

(a) Terminate heat-related service after at least five (5) days written notice to the occupants, and

(b) Inform the individual who made the claim of the finding of the department of social services, and

(c) State in the notice that any occupant may ask the Authority for a further review, and

(6) If, after heat-related service has been terminated, the local department of social services notifies the Authority that an occupant's health or safety is threatened, the Authority will reconnect heat-related service or otherwise provide heat to that occupant and work with the social services department to resolve the problem.

V. Termination of Service (continued):

D. Termination of Residential Service to Entire Multiple Dwellings:

1. Definition of a Multiple Dwelling

   A building designed for and occupied by three (3) or more individual dwelling units.

2. Termination Dates

   a) The Authority will not terminate service for nonpayment until at least fifteen (15) days after the Customer has received the Final Termination Notice.

   b) The Authority will not issue a Final Termination Notice until at least twenty (20) days after payment was due.

3. Delivery of Final Termination Notices

   The Authority will not terminate service to an entire multiple dwelling until the Authority has issued the following notices to the owner, person, firm, or corporation responsible for making payments and the occupants of the dwelling.

   a) Fifteen (15) days written notice, given in person:

      (1) To the owner, person, firm, or corporation responsible for making payment, and

      (2) To the superintendent or person in charge of the building, if someone has that job, and

   b) Eighteen (18) days written notice, if mailed to the address of the owner, person, firm, or corporation responsible for making payment, and

   c) Fifteen (15) days written notice if posted in the public areas of the multiple dwelling, and

   d) Eighteen (18) days written notice to:

      (1) Each occupant in the multiple dwelling, and

      (2) The local health officer, and

      (3) The director of the social services district of the political subdivision the multiple dwelling is in, and

V. Termination of Service (continued):

D. Termination of Residential Service to Entire Multiple Dwellings (continued): Delivery of Final Termination Notices (continued):

(4) The chief officers of the city, village, or town and county of the multiple dwelling's location, and

(5) The Department of Housing Preservation and Development if the multiple dwelling is in New York City, and:

e) Notices to all but d.1 above shall be repeated between four (4) and two (2) working days before the termination date.

f) If the Authority is going to terminate heat-related service to an entire multiple dwelling during the Cold Weather Period, the Authority will send the notices in D.3.a.-d. above at least thirty (30) days before the termination date.

4. Content of Notice of Termination

a) Termination Date

b) Name and telephone number of an Authority contact who will:

(1) Tell the occupants the amount due, and

(2) Arrange meetings with the occupants to develop a plan to avoid termination if the owner doesn't make payments or arrangements with the Authority to make payments.

c) A notice that the Authority can assist the occupants to develop an agreement to avoid termination, and

d) A notice that subdivision (1) of Section 235-a of the Real Property Law allows occupants to deduct payments to the Authority from their rent payments in this situation.

5. Allowing Time for Payment and Verifying Payment (See V.B.7.)

6. Payment With Bad Checks

If the Customer pays the amount required to avoid termination with a bad check, the Authority may terminate service without further notice.

7. Termination Days (See V.B.8.)

8. Termination Hours (See V.B.9.)

9. Payment at the Time of Termination (See V.B.11.)

V. Termination of Service (continued):

D. Termination of Residential Service to Entire Multiple Dwellings (continued):

10. How Occupants of Multiple Dwellings Can Avoid Termination of Service

a) The occupants of the multiple dwelling can pay for service according to agreements approved by the Authority.

b) The occupants will pay no more than the current charges owed by the owner, person, firm, or corporation responsible for making payments.

(1) A current charge is the amount properly billed for service used during the most recent billing period covered by the first bill sent on or after the Termination Notice date.

(2) A current charge does not include arrears.

(3) A current charge for purposes of this subsection does not include the NYSERDA Loan Installment Charge.

c) If the occupants and the Authority cannot reach an agreement to avoid termination of service, the occupants may contact an authorized agent of the Authority for assistance and advice. The agent will:

(1) Attempt to work out an agreement, and

(2) Arrange a meeting with the occupant representatives and the owner, person, firm, or corporation responsible for making payment, if the Authority's agent receives a written petition signed by at least 25 percent of the occupants of the multiple dwelling.

d) The agent may suspend termination of service to an entire multiple dwelling if the occupants are making sincere efforts to arrange for payment of the current bills.

11. Notification to Occupants That Overdue Bills Have Been Paid

The Authority will notify each occupant of the multiple dwelling that the overdue bills have been paid, and the scheduled termination of service is canceled.

12. Termination During the Cold Weather Period

If the Authority intends to terminate heat-related service to multiple dwellings during the Cold Weather Period, the Authority will follow the provisions in B.15.

V. Termination of Service (continued):

E. Termination of Service to Shared-Metered Accounts:

1. Definition of Terms in this Section

a) 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.

b) 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.

c) Owner(s): The owner of the premises, holder of the mortgage, assignee of rents, receiver, executor, trustee, lessee, agent, or any other person, firm, or corporation, directly or indirectly in control of a dwelling.

2. Conditions for Termination

a) The Authority will not close an account for an occupied building at the owner's request, unless:

(1) The account is transferred to a new owner, and

(2) Termination of the previous owner's shared-meter account will not cause an interruption of service.

b) The Authority will not terminate service to a shared-meter account for nonpayment unless the Authority:

(1) Gives fifteen (15) days written notice of its intention to terminate by:

(a) Mailing a copy of the notice to the owner of the premises, or

(b) Mailing a copy of the notice to the person who was sent the last bill, and

(c) Mailing or delivering a copy of the notice to each affected dwelling, and

(d) Posting a copy of the notice where it can be seen easily in or at the building, if common areas of the building will be affected and if not prevented by physical circumstances.

V. Termination of Service (continued):

E. Termination of Service to Shared-Metered Accounts (continued):

3. Content of Notice of Termination

Final Termination Notices will be written clearly, in nontechnical language, in a bilingual format (if practical), and will contain:

a) Large enough print to get immediate attention (a minimum of ten (10) characters per inch), such as:

THIS IS A FINAL TERMINATION NOTICE.

PLEASE BRING THIS NOTICE TO THE ATTENTION OF THE AUTHORITY WHEN PAYING THIS BILL.

b) The termination date, and

c) The reason(s) for termination, and

d) The total amount the Customer must pay to avoid termination, showing the amount owed on the account, and

e) Instructions on how to pay the total amount owed to stop termination, and

f) A notice that the Authority has procedures for handling Customer complaints before termination, including the address and telephone number of the business office the Customer may contact to discuss their account, and

g) A notice that there are special protections for occupants of shared-meter dwellings, and

h) A notice that the Authority's staff can give information and advice, and

i) A notice that subdivision (1) of Section 235-a of the Real Property Law allows occupants to deduct payments to the Authority from their rent payments in this situation.

4. How an Occupant of a Dwelling Can Avoid Termination of Service

An occupant can pay the current charges, deduct the payment from the rent, and will not be responsible for future charges through the shared meter.

a) If the premises is billed monthly, the current charges will be for service provided two (2) months before the termination date on the Final Termination Notice.

b) If the premises is billed bimonthly, the current charges will be no more than the most recent bill for service.

c) If an occupant pays the current charges, the Authority will continue to send all bills to the owner and will send copies of these bills to any occupant upon request.

V. Termination of Service (continued):

E. Termination of Service to Shared-Metered Accounts (continued):

5. Notification to Occupants That Termination Has Been Avoided

If a Final Termination Notice has been sent and termination has been avoided, the Authority will notify the affected occupants by:

a) Mail or other delivery method, or

b) Posting a notice where it can be seen easily in or at the dwelling.

6. Termination During Cold Weather Periods

If the Authority intends to terminate heat-related service to a dwelling(s) serviced by a shared meter during the Cold Weather Period, the Authority will:

a) Send the Final Termination Notice at least thirty (30) days before the termination date, and

b) Follow the provisions in Sections B.15. and C.15.

V. Termination of Service (continued):

F. Termination of Service When There is no Customer on Record For the Premises:

The Authority may suspend, limit, or disconnect service if there is no Customer on record and:

1. Service is being provided through tampered equipment, or

2. If the Authority believes that the user will require service for less than one (1) week, the Authority will advise the user of the disconnect, and if possible, encourage the user to apply for service, and

3. The Authority gave a written notice to the occupant, stating:

   a) The Authority will disconnect service unless the responsible party applies for service and is accepted as a Customer, and

   b) The address and telephone number of the business office where the responsible party can apply for service, and

   c) The Authority will either post this notice at the premises forty-eight (48) hours before disconnection or mail the notice to the premises between five (5) and sixty (60) days before disconnection.

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 dollars ($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 (12) 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):

G. Deferred Payment Agreements (continued):
Who is eligible (continued):

d) A Residential Customer who is scheduled for termination of service for nonpayment of bills. The Authority will make a written offer of a Deferred Payment Agreement at least seven (7) days, or ten (10) days if mailed, before the termination date or within ten (10) days after the termination date, if termination was postponed ten (10) days to allow time to negotiate a Deferred Payment Agreement.

e) A Nonresidential Customer who is scheduled for termination of service for nonpayment of bills. The Authority will make a written offer of a Deferred Payment Agreement at least five (5) days, or eight (8) days if mailed, before the termination date, if:

(1) The Customer has been a customer for at least six (6) months, and

(2) The Final Termination Notice was sent because the Customer owes more than two (2) times the monthly average billing.

f) An Applicant for service who owes the Authority money for residential service delivered to a prior account in their name.

g) A Residential Customer whose terminated service can be reconnected when the outstanding charges are paid.

h) A Residential Customer who has received a Final Termination Notice for breaking a negotiated Deferred Payment Agreement, if that agreement required payment over a shorter period than the standard agreement would normally allow for that Customer. The Authority will send the Customer a written offer for a new Deferred Payment Agreement along with the Final Termination Notice.

i) A Residential Customer with whom an agreement is needed to resolve a complaint.

3. Who is Not Eligible

a) A Residential Customer who has broken an existing Deferred Payment Agreement, except as noted in 2.*h*. above.

b) A Customer who still owes money under a prior Deferred Payment Agreement, or

c) A Customer who did not pay on time under a prior Deferred Payment Agreement that was in effect in the last twelve (12) months.

d) A Customer that is a publicly-owned company or a subsidiary of one, or

e) A Seasonal, Short-term, or Temporary Customer, or

V. Termination of Service (continued):

G. Deferred Payment Agreements (continued):
Who is not Eligible (continued):

f) A Customer whose combined average monthly billed demand for all accounts was greater than twenty (20) kW at least once during the last twelve (12) months or one (1) account had a single demand greater than forty (40) kW, or

g) A Customer who the Authority reasonably concludes is able to pay the bill.

h) The Authority will notify the Customer of the Authority's reasons for denying a Deferred Payment Agreement, and the Customer's right to challenge the Authority's decision using the complaint procedures set forth in the Tariff.

4. Obligations of the Authority to Residential Customers

a) The Authority will make reasonable efforts to contact eligible Residential Customers or Applicants by phone, mail, or in person to:

(1) Offer a Deferred Payment Plan, and

(2) Negotiate terms that fit the Customer's financial situation, and:

(a) May require that a Customer or Applicant complete a form showing assets, income, and expenses, and

(b) May ask for reasonable proof of the information given, and will treat that information as confidential, as permitted by law, and

(c) Will offer terms without a down payment and installments as low as ten dollars ($10) a month, if required by the Customer's financial situation, and

(d) Will negotiate the size of the down payment, if any, and the time schedule for payment, and

(3) State the negotiated terms and conditions in the Deferred Payment Agreement to be signed by both the Customer and the Authority.

b) The Authority may postpone a scheduled termination of service up to ten (10) days after the termination date noted on the Final Termination Notice to negotiate the Deferred Payment Agreement terms, after notifying the Customer of the postponement, and

c) The Authority will make the written offer of the Deferred Payment Agreement to the Customers in 2.*d-g* above by providing two (2) copies of the Agreement form, signed by the Authority, stating the specific negotiated terms for payment.

V. Termination of Service (continued):

G. Deferred Payment Agreements (continued):
Obligations of the Authority to Residential Customers (continued):

d) The Authority will renegotiate and change Deferred Payment Agreements if the Customer or Applicant can show that their financial situation has changed because of conditions they cannot control.

e) The Authority will provide written Deferred Payment Agreement forms for evaluating the financial need of a Customer or Applicant. The Authority will assure the confidential handling of the information received from the Applicant, as permitted by law.

5. Obligations of the Authority to Nonresidential Customers

a) The Authority will provide a written offer of a Deferred Payment Agreement to the eligible Nonresidential Customers specified in G.2 above.

b) If the Authority and a Nonresidential Customer agree to the terms of a Deferred Payment Agreement in a telephone conversation, the Authority will send the Customer two (2) fully completed copies of the Agreement, signed by the Authority, for the Customer to sign and return.

6. Obligations of the Customer or Applicant

a) The Customer or Applicant must sign a copy of the Deferred Payment Agreement and return it to the Authority for the Agreement to be binding, and

b) If a Customer has received a Final Termination Notice, the Customer must return the signed Deferred Payment Agreement to the Authority by the day before the termination date on the Notice to avoid termination, and

c) If the Customer does not sign and return the Agreement by that date, the Authority has the right to terminate service.

7. Terms of the Deferred Payment Agreement

a) The Customer agrees to pay for all current charges on time.

b) The specific terms for payment by Residential Customers will consist of:

(1) The amount covered by the Agreement and agreed to by the Customer or Applicant and the Authority during negotiation, and

(2) A waiver of additional late payment charges on the unpaid balance under the Agreement so long as the Agreement is not broken, and

(3) A down payment, depending on the Customer's financial situation, of 15 percent of the amount covered by the Agreement or the cost of one-half (1/2) of one (1) month's average usage, whichever is greater, and

V. Termination of Service (continued):

G. Deferred Payment Agreements (continued):
Terms of the Deferred Payment Agreement (continued):

(4) Monthly installments, depending on the Customer's financial situation, of the cost of one-half (1/2) of one (1) month's average usage or one-tenth (1/10) of the balance, whichever is greater. The cost of one (1) month's average usage shall be based on the cost of the usage during the last twelve (12) months.

c) For Nonresidential Customers, if termination of service has been scheduled for nonpayment, the terms of the Agreement may include:

(1) A down payment of the greater of thirty (30) percent of the amount owed or two (2) times the cost of the Customer's average monthly usage, plus the full amount of any charges billed for and owed since the Final Termination Notice was issued and the Agreement was signed, or

(2) If a field visit to physically terminate service was made, a down payment the greater of fifty (50) percent of the amount owed or four (4) times the cost of the Customer's average monthly usage, plus the full amount of any charges billed for and owed since the Final Termination Notice was issued and the Agreement was signed, and

(3) Payment of the balance in monthly installments of up to the cost of the Customer's average monthly usage, or one-sixth (1/6) of the balance, whichever is greater, and

(4) Payment of late payment charges of one and one-half (1.5) percent per monthly billing period during the term of the Agreement, and

(5) Payment of a security deposit in three (3) installments: fifty (50) percent down and two (2) monthly payments of the balance. The Authority may require a security deposit from an existing Customer who is delinquent or who the Authority believes may be unable to pay in the future, based on dependable information on the Customer's financial condition, or

d) If the Nonresidential Customer has been backbilled for prior unbilled service, the Authority may require monthly installments of the greater of the cost of one-half (1/2) of the Customer's average monthly usage or one twenty-fourth (1/24) of the amount owed, and

e) If agreed to by both the Authority and the Nonresidential Customer, the terms of the Agreement may be for a larger or smaller down payment, a longer or shorter period of time for payment, and payment on any schedule.

V. Termination of Service (continued):

G. Deferred Payment Agreements (continued):

8. Contents of the Deferred Payment Agreement Form for Residential Customers

The Deferred Payment Agreement form shall be written in clear and understandable language and format and shall state:

a) That the Authority will offer an Agreement that the Customer or Applicant is able to pay, given their financial situation, and that the Agreement should not be signed if the Customer or Applicant cannot meet its terms, and

b) That if the Customer or Applicant can show financial need, other terms may be available: a down payment may not be required and installments may be as low as ten dollars ($10) per month above the current bills, and

c) That if the Customer or Applicant receives public assistance or supplemental security income, a local social services office may be able to help with the payment of utility bills, and

d) That the Customer may call a given number at the Authority if they are unable to pay the terms of the Agreement or wishes to discuss the Agreement.

e) That if the Customer signs and returns the copy of the Agreement with any down payment, if required, in the required time period, the Agreement becomes binding, and the Customer will avoid termination of service, and

f) The date by which the Authority must receive the signed copy of the Agreement, with any required down payment, to avoid termination. This date will be at least six (6) business days after the Authority sent the Agreement, and

g) The Authority's policy if the Agreement is not signed and returned as required, and

h) The total amount due, the required down payment, if any, and the exact dollar amount and due date of each installment, and

i) That if the Customer or Applicant does not comply with the terms of the Agreement, the Authority will take steps to terminate service, and

j) That the Customer or Applicant has a right to be enrolled immediately in a Balanced Billing Plan. This notice must be placed close to the signature line, have a highly visible check-box option, and include an Authority phone number for more information. The Authority must also include an explanation of the Balanced Billing Plan with the Agreement, and

k) That the Authority will renegotiate and change Deferred Payment Agreements if the Customers or Applicants can show that their financial situation has changed because of conditions they cannot control.

V. Termination of Service (continued):

G. Deferred Payment Agreements (continued):

9. Contents of a Deferred Payment Agreement for Nonresidential Customers

a) The written offer of a Deferred Payment Agreement shall:

(1) Explain that Deferred Payment Agreements are available to eligible Customers, and

(2) Give the general minimum terms of an Agreement the Customer might be entitled to, and

(3) Explain that more generous terms may be available, and

(4) Give a phone number and times to call to discuss an agreement, and

(5) If the Customer is scheduled for termination of service for nonpayment of bills:

(a) Make a written offer of a Deferred Payment Agreement at least five (5) days, or eight (8) days if mailed, before the termination date, and

(b) Give the date by which the Customer must contact the Authority to avoid termination of service, and

(c) Explain that the Authority has the right to a larger down payment if a Deferred Payment Agreement is not entered into until after a field visit to physically terminate service has been made.

b) The Deferred Payment Agreement form shall be written in clear and understandable language and format and shall state:

(1) The terms of the Agreement, and

(2) The due dates and amounts for each installment, with due dates and amounts for arrears payments and/or security deposit payments listed separately, and

(3) If the Agreement includes late payment charges, the amount to be paid with each installment, or

V. Termination of Service (continued):

G. Deferred Payment Agreements (continued):
Contents of a Deferred Payment Agreement for Nonresidential Customers (continued):

(4) If the late payment charges are to be billed on the Customer's regular cycle bill, a late payment charge disclosure statement which shall include:

(a) The monthly late payment charge rate of one and one-half (1.50 percent, and

(b) How it is calculated, and

(c) How and when the late payment charge will be billed, and

(d) What the total cost of the late payment charges will be if the Customer completely honors the Agreement, and

(e) notice that the total late payment charges may be different than the stated amount if the Customer makes early or late payments, and

(5) The date by which the Authority must receive the signed copy of the Agreement and the down payment, if any, for the Agreement to become binding and enforceable. This date must be at least six (6) business days after the Authority sent the Agreement, and

(6) The Authority's policy if the Agreement is not signed and returned as required, and

(7) That if the Customer does not comply with the terms of the Agreement, the Authority will send an immediate Final Termination Notice.

10. Broken Agreements

a) If a Residential Customer does not make the timely payments required by the Deferred Payment Agreement, the Authority will send a Reminder Notice at least eight (8) days before it sends a Final Termination Notice. The Reminder Notice will state in clear bold type that:

(1) The Customer must meet the terms of the Deferred Payment Agreement by making the necessary payment within twenty (20) calendar days of the date payment was due or a Final Termination Notice may be sent, and

(2) The Customer should contact the Authority immediately, at a given number, because a new Deferred Payment Agreement may be available, if the Customer can show that they cannot make payment under the terms of the Deferred Payment Plan because their financial situation has changed because of conditions beyond their control.

V. Termination of Service (continued):

G. Deferred Payment Agreements (continued):
Broken Agreements (continued):

b) For Residential Customers, if, by the 20th calendar day after payment was due, the Authority has neither been paid nor negotiated a new Deferred Payment Agreement, the Authority will demand full payment of the total outstanding charges and send a Final Termination Notice following the procedures in V.A and V.B above. The Final Termination Notice will state in clear bold type:

(1) That the Customer should contact the Authority immediately, at a given number, because a new Deferred Payment Agreement may be available, if the Customer can show that they cannot make payment under the terms of the Deferred Payment Agreement because their financial situation has changed because of conditions beyond their control, and

(2) That the local social services office may be able to help the Customer keep service, and

(3) That before the social services office can help, the Customer shall give the Authority information on assets, income, and expenses so that the Authority can determine if the Customer is entitled to a new Deferred Payment Agreement, and

(4) Either the address and telephone number of the proper social services office or the local social services information number, and

c) If the Residential Customer has received a Final Termination Notice for breaking a negotiated Deferred Payment Agreement that required payment over a shorter period than the standard agreement would normally allow for that Customer:

(1) The Authority will send the Customer a written offer for a new Deferred Payment Agreement along with the Termination Notice, and

(2) The new Agreement will calculate the monthly installment payments using the procedure in 7.b. above.

d) The first time a Nonresidential Customer does not make a payment on time according to the terms of the Deferred Payment Agreement, the Authority will give the Customer a reasonable opportunity to honor the Agreement by making the payment, but

e) If the Nonresidential Customer does not honor the terms of the Agreement, the Authority may demand full payment of the total amount owed and send a Final Termination Notice.

V. Termination of Service (continued):

H. Reconnection of Service:

1. Conditions for Reconnection or Provision of Residential Service

a) If a Residential Customer's service is terminated for nonpayment of bills, the Authority does not have to reconnect service at the location where bills for service are owed or furnish service to the Customer at a new location, unless:

(1) The Authority receives full payment of the amount owed that caused the termination of service, or

(2) The Authority and the Customer agree on the terms of a Deferred Payment Agreement and on a down payment, if required under that Agreement, and

(a) The Authority may add lawful charges to the installment payment terms of the Deferred Payment Agreement for the cost of reconnecting service and of steps taken to prevent unauthorized reconnection of the service before the conditions of this section are met. Or, the Customer may pay these charges immediately, and

(b) The down payment will be the lesser of one-half (1/2) the amount owed that caused the termination of service or three (3) months' billing, or

(3) The social services official of the social services district where the Customer lives makes a commitment to the Authority for direct payment or provides a written guarantee of payment, or

(4) The Authority is notified that the health or safety of a Customer is likely to be seriously threatened if service is not reconnected. Reasonable doubts as to whether reconnection of service is required for health or safety reasons will be decided in favor of reconnection.

b) If a Residential Customer's service is terminated because theft of service and/or tampering has occurred, the Authority does not have to reconnect service until the Customer pays the following charges:

(1) The amount owed, based on the estimated usage of electricity not recorded on the meter. The estimates will be based on previous demands and usage estimated from the date service was previously terminated, or upon the best information available.

V. Termination of Service (continued):

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

(2) The actual costs for:

(a) The investigation and inspection conducted, and

(b) Any damage, loss, or destruction of a meter or other property of the Authority. Charges will be based on current replacement costs, and

(c) The installation, if required, of an approved meter mounting box or socket that is accessible to the Authority outside of the Customer's building, and

(d) The installation, if required, of an approved type of conductor from the weather head on the Customer's service pipe to the protective case.

(e) Disconnecting a customer that makes an unauthorized connection of service.

c) If a Residential 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 interference.

2. Conditions for Reconnection or Provision of Nonresidential Service

a) If a Nonresidential Customer's service is terminated solely for nonpayment of bills or a security deposit, the Authority will reconnect service, within twenty-four (24) hours, at the location where bills for service are owed, or will furnish service to the Customer at a new location, when the Customer requests reconnection of service and:

(1) Pays the reconnection charges and any other charges, fees, or penalties owed, legal fees, court costs and expenses, and either

(2) Pays the full amount owed that caused the termination of service and any other unpaid charges billed between the date of the Final Termination Notice and the date reconnection is requested, or

(3) Signs a Deferred Payment Agreement for the amounts owed in a.1 and a.2 above and makes a down payment, if required under the Agreement.

V. Termination of Service (continued):

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

b) If a Nonresidential Customer's service is terminated solely for failure to provide access, the Authority will reconnect service, within twenty-four (24) hour, when the Customer requests reconnection of service and:

(1) Allows access, and

(2) Makes arrangements for access in the future.

c) If a Nonresidential Customer's service is terminated solely for a violation of the Authority's Tariff, the Authority will reconnect service, within twenty-four (24) hours, when the Customer requests reconnection of service and reasonably demonstrates that the violation has been corrected, either by:

(1) Documentation provided by the Customer, or

(2) A field visit by the Authority within two (2) business days of the Customer's request or a later date at the Customer's request.

d) If a Nonresidential Customer's service is terminated solely because theft of service and/or tampering has occurred, the Authority does not have to reconnect service until the Customer pays the following charges:

(1) The amount owed, based on the estimated usage of electricity not recorded on the meter. The estimates are based on previous demands and usage estimated from the date service was previously terminated, or on the best information available.

(2) The actual costs for:

(a) The investigation and inspection conducted, and

(b) Any damage, loss, or destruction of a meter or other property of the Authority. Charges will be based on current replacement costs.

(c) Disconnecting a customer that makes an unauthorized connection of service.

(3) The installation, if required, of an approved meter mounting box or socket that is accessible to the Authority outside of the Customer's building, and

(4) The installation, if required, of an approved type of conductor from the weather head on the Customer's service pipe to the protective case.

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. Reconnection Charges

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.

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 Qualifying Low Income Customers receiving financial assistance from a local social services department.

V. Termination of Service (continued):

H. Reconnection of Service (continued):

(1) Customers who are not currently identified by the Authority as Qualifying Low Income Customers 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, Customer not present during appointment, 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.

V. Termination of Service (continued):

H. Reconnection of Service (continued):
Obligation of the Authority for Timely Reconnection of Service (continued):

(2) In all other cases, credit the Residential Customer's account twenty-five dollars ($25) for each day or part of a day that service is not supplied after the date it should have been reconnected.

VI. Customer Complaint Procedures:

A. How a Customer Files a Complaint:

1. The New York State Department of Public Service (the "Department") will accept, investigate, mediate to resolve and make recommendations to the Authority and/or the Manager regarding the resolution of complaints from consumers, other than the NYSERDA Loan Installment Charge as set forth below.

2. If a Customer has a complaint about bills for electric service, deposit requests, negotiations for Deferred Payment Agreements, service problems or any other matter related to electric service other than the NYSERDA Loan Installment Charge, the Customer shall first make a complaint to the Authority's Manager. The Manager shall promptly investigate the complaint in a fair manner and inform the Customer of its decision orally or in writing.

3. If a complaint about bills for electric service, deposit requests, negotiations for Deferred Payment Agreements, service problems or any other matter related to electric service other than the NYSERDA Loan Installment Charge, is not resolved by the Manager to the Customer's satisfaction, the Customer may file a complaint with the Department. If the Manager resolves such a complaint in whole or in part in its favor, the Manager shall inform the Customer of the availability of the Department's complaint handling procedures, including the Department's address and phone number.

4. Customers shall direct any complaints concerning the operation of the NYSERDA Loan Installment Program, including complaints concerning the amount of the NYSERDA Loan Installment, any energy efficiency work performed by the contractor, the amount of energy savings realized as a result of the improvements, or matters associated with the lender and/or the loan to NYSERDA or its designated agent.

5. Upon receipt of a complaint, NYSERDA shall notify the Manager of any amounts initially considered in dispute.

6. Consistent with §42.3 of the Public Service Law, the rights and responsibilities of Residential Customers participating in the Green Jobs-Green New York (GJGNY) Program on-bill recovery pursuant to §66-m of the Public Service Law shall be substantially comparable to those of Customers not participating in on-bill recovery, and charges for on-bill recovery shall be treated as charges for utility service, including;

    a) Customer shall be required to pay any amount that is not in dispute in order to continue service during the time a complaint or an appeal of a complaint is pending with NYSERDA.

    b) Customer shall continue to receive bills from the Authority for the full NYSERDA Loan Installment Charge until the complaint is finally resolved between NYSERDA and the Customer.

    c) Upon resolution of the complaint, NYSERDA shall determine whether the Customer is entitled to any credits or other relief from the NYSERDA Loan Installments previously billed, and/or any adjustments to future NYSERDA Loan Installment Charges. Depending on such determination, the Customer may be required to pay the amount in dispute in full or in part or such amount may be determined to be not due or owning. Such requirement shall not take effect until fifteen (15) days after determination is rendered.

VI. Customer Complaint Procedures (continued):

B. Authority Complaint Procedures:

1. In handling complaints:

   a) The Department will make an initial decision on the complaint.

   b) If the Customer or the Manager objects to the initial decision, a request for an informal hearing or review may be made to the Department in writing, by telephone, or in person, explaining the basis for the request.

      (1) A Customer may choose either an informal hearing or review. The Manager must accept an informal review unless the Customer agrees to participate in an informal hearing.

      (2) After the informal hearing or review is completed, the Department will make an independent decision and provide the Customer and the Manager with a written statement explaining the reasons for the decision.

VI. Customer Complaint Procedures (continued):

C. Reserved for Future Use

[CANCELLED]

VI. Customer Complaint Procedures (continued):

D. Reserved for Future Use

[CANCELLED]

VI. Customer Complaint Procedures (continued):

E. Appeals to the Authority's Chief Executive Officer:

1. Filing an Appeal

a) If a Customer or the Manager disagrees with the decision rendered by the Department's informal hearing or review, the Customer or the Manager may appeal in writing to Office of the Secretary, NYS Department of Public Service, 3 Empire State Plaza, Albany, NY 12223-1350.

b) The appeal should be filed within fifteen (15) days after the Department's informal hearing or review decision is mailed.

2. Requirements for Appeals

An appeal must be written and based on one or more of the following:

a) The hearing officer or reviewer made a mistake in the facts in the case or in the interpretation of laws or the Tariff that affected the decision.

b) The hearing officer or reviewer did not consider evidence, presented at the hearing or review, which resulted in an unfavorable decision.

c) New facts or evidence, not available at the time of the hearing or review, have become available which would have affected the decision on the complaint.

VI. Customer Complaint Procedures (continued):

F. How the Authority's Chief Executive Officer Handles an Appeal:

1. The Department will notify the Authority, the Manager and the Customer when an appeal is received.

2. The Department will designate someone who has not worked on the complaint before to promptly and fairly review the appeal. The Department (or its designee) will examine the papers submitted with the appeal and in the complaint file, and recommend to the Chief Executive Officer (or their designee) of the Authority in writing, a decision on the appeal, and

3. The Department (or its designee) may request from the Manager or the Customer such information as may be reasonably necessary to decide the appeal. The Manager shall submit the information requested. The Customer should submit the information requested, and if the Customer fails to do so, this circumstance may affect consideration by the Department (or its designee) and the Authority's Chief Executive Officer (or their designee) related to the decision regarding that particular fact, and

4. The Department (or its designee) may take any other action reasonably necessary to assist the Chief Executive Officer (or their designee) in reaching a fair decision, and

5. The Authority's Chief Executive Officer (or their designee) will decide the appeal and may uphold, change, reject or return the decision to the informal hearing officer or reviewer for additional consideration, and may render such decision as they deem fair and proper, and

6. The Customer, Manager, and the Department will be notified in writing of the Authority's Chief Executive Officer's (or their designee) decision.

7. Service will not be terminated for nonpayment of disputed amounts while an appeal is pending unless the Customer does not pay the undisputed part of any bill for service, and

8. Any interested person may request a rehearing of the Authority's decision on appeal within thirty (30) days after the Authority's decision is served. The petition for rehearing shall be mailed to the Office of the Secretary, NYS Department of Public Service, 3 Empire State Plaza, Albany NY 12223-1350. Petitions that are untimely may be rejected.

   a) Rehearing may be sought only on the grounds that the Chief Executive Officer (or their designee) committed an error of law or fact, or that new circumstances warrant a different determination. A petition for rehearing shall separately identify and specifically explain and support each alleged error or new circumstance said to warrant rehearing.

   b) Any party may respond to a petition for rehearing within fifteen (15) days of the date the petition was served on the responding party, but the Authority may deny a petition, before that time has elapsed.

   c) The filing of a petition for rehearing does not in itself stay or excuse compliance with a decision.

VI. Customer Complaint Procedures (continued):

F. How the Authority's Chief Executive Officer Handles an Appeal (continued):

9. The Department will notify the Authority, the Manager and the Customer when a petition for rehearing is received.
10. The Department (or its designee) will review the petition for rehearing and will issue in writing a recommended decision on the petition to the Authority's Chief Executive Officer (or their designee).
11. The Authority's Chief Executive Officer (or their designee) will decide the rehearing petition, and notify all parties of their decision.
12. The Authority may settle an appeal at any time. Any settlement shall be in writing, shall state that it is final and binding on the Customer, the Manager, and the Authority and may not be further reviewed or reheard, and shall be subject to the approval of the Authority's Chief Executive Officer (or their designee).

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS:

A. Power Supply Charge:

1. Costs included in the Power Supply Charge
   a) The total actual cost of fossil and nuclear fuel purchased on behalf of the Authority to produce electricity, including nuclear fuel disposal costs and the Authority's share of the Nine Mile Point 2 nuclear generating plant decontamination and decommissioning costs paid to the operator, plus

   b) The total actual cost, including property taxes, of all electric power purchased by or on behalf of the Authority from the New York Power Authority (NYPA), National Grid Generation, other utilities, and independent power producers, including qualifying facilities and Customer-generators, net of revenues received from energy sold to other utilities, power marketers, or other brokers who are not agents for retail power supply customers of the Authority, plus

   c) The total actual cost of all transmission wheeling and other charges (including charges on any off-island transmission facilities which deliver power to the Authority's system), plus

   d) The total actual cost of payments by the Authority to Customers who shed load during times of high system demands at the request of the Authority including payments for participation in the Dynamic Load Management programs contained in Section XIII, plus

   e) The actual fuel costs and the value of foregone emissions credits that partially offset revenues credited from energy sold to other utilities, power marketers, or other brokers who are not agents for retail power supply customers of the Authority, plus

   f) The cost incurred under any system power supply management or fuel management services agreements, plus

   g) Charges for Capacity, Energy, Scheduling, System Control and Dispatch Service, and ancillary services paid by LIPA as a participant in any Independent System Operator (ISO) administered markets, plus

   h) Any other net charges (net of revenues) associated with Transmission Congestion Contracts, ancillary services and short-term capacity received by the Authority as a participant in any Independent System Operator (ISO) administered markets, plus

   i) Premiums and other costs associated with the Authority's fuel hedging program, including any gains or losses realized, plus

   j) Costs incurred to comply with the requirements of the New York State Renewable Portfolio Standards and costs associated with the Authority's participation in the New York Clean Energy Standard (CES) programs.

   k) Costs incurred for the operation, maintenance, and property taxes of the Authority's share of the Nine Mile Point Unit 2 Generating Facility.

2. Average Cost of Power Supply Charge

   The average cost of the Power Supply Charge in cents per kWh for the month is calculated by dividing the projected month's costs included in the Power Supply Charge and the projected month's total LI Choice Customer bill credits by the projected month's Energy Sales.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

A. Power Supply Charge (continued):

3. Energy Sales

   Energy Sales is the amount of electricity required to meet the Authority's Bundled Service and LI Choice Customer needs, measured at the Customer's meter.

4. The Power Supply Charge, expressed in cents per kWh, is calculated as the sum of: (i) the average cost of the Power Supply Charge expressed in cents per kWh, plus (ii) a rate, expressed in cents per kWh calculated to refund or recover any overcollections or undercollections of the Power Supply Charge as of the end of the preceding period. The Power Supply Charge is rounded to the nearest $0.0001 cents per kWh.

   a) The Power Supply Charge consists of a Market Supply Charge to be paid by Bundled Service Customers not on Long Island Choice and a Local Supply Charge to be paid by Bundled Service and LI Choice Customers.

   b) The Market Supply Charge recovers the cost incurred by the Authority to provide power services to Customers not on Long Island Choice, calculated as the following costs divided by Energy Sales to Bundled Service Customers, rounded to the nearest $0.0001 cents per kWh:

      (1) The actual cost to purchase fuel for generation at power stations on Long Island and the actual cost of purchased power, plus
      (2) The total actual cost of electric power purchased by or on behalf of the Authority from the ISO energy markets, net of revenues received from energy sold to other utilities, power marketers, or other brokers who are not agents for retail power supply customers of the Authority, plus
      (3) The market value of energy purchased from the Nine Mile Point 2 and Fitzpatrick nuclear facilities, as well as renewable and resource recovery facilities under contract to the Authority, plus
      (4) The Long Island capacity market value of all Long Island capacity under contract to the Authority, as well as the Rest of State capacity market value associated with Nine Mile Point 2, plus
      (5) The cost of Long Island and Rest of State capacity that might be needed to fulfill Authority's capacity requirements, beyond what is under contract, plus
      (6) The variable Operations and Maintenance (O&M) costs and the value of foregone emissions credits (RGGI) that partially offset revenues credited from energy sold to other utilities, power marketers, or other brokers who are not agents for retail power supply customers of the Authority, plus
      (7) Charges for Capacity, Energy, Scheduling, System Control and Dispatch Service, and ancillary services paid by LIPA as a participant in the New York Independent System Operator (ISO) administered markets, plus
      (8) Premiums associated with the Authority's fuel hedging program, including any gains or losses realized, plus
      (9) The value of Renewable Energy Credit (RECs) for Tier 1 eligible resources under contract to the Authority, costs incurred for the purchase of additional Renewable Energy Credits (including the cost of any alternative compliance payments), Zero Emission Credits (ZECs), and other existing and future costs that are allocated to the Authority as a Load Serving Entity (LSE). Any CES costs that are allocated to the Authority as an Electric Distribution Company, including the Backstop Costs, are excluded from the Market Supply Charge.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

A. Power Supply Charge (continued):

c) The Local Supply Charge recovers all costs contained in the Power Supply Charge that are not recoverable through the Market Supply Charge, divided by Energy Sales to all applicable Customers, and rounded to the nearest 0.0001 cents per kWh.

d) The Power Supply TOU Period Adjustment Factors are identified in the Statement of the Power Supply Charge and will be updated from time to time as follows:

(1) The Power Supply TOU Period Adjustment Factors use the average hourly load research sample results for the period September 1 to August 31, to identify the kWh for both the super-off peak period and the peak period. The following table lists the TOU rate codes and corresponding load research sample used.

TOU Rate Codes	Load Research Sample Rate Codes
190, 191, 192, 193	180
194, 195	180 (until sufficient data is available to measure these Rate Codes directly)
292	280
294	281

(2) The average hourly load research samples for Rate Code 180 or Rate Code 280 will identify the kWh for both the super off-peak period and the peak period for each of the TOU Rate Codes (190, 191, 192, 193, and 292) for an annual period.

(3) For Rate Codes 190, 191, 192, 193, and 292, the super off-peak Power Supply TOU Period Adjustment Factor is set to 60%.

(4) For Rate Codes 190, 191, 192, 193, and 292, the kWh in the super off-peak period will be multiplied by the budgeted average annual Power Supply Charge multiplied by 40% (1-super off-peak Power Supply TOU Period Adjustment Factor). The subsequent dollars by TOU Rate Code is divided by the total kWh in the peak period to create the peak period adder by TOU Rate Code. The peak period adder by TOU Rate Code is then added to the average annual power supply factor and divided by the average annual power supply factor, which will equal the peak Power Supply TOU period Adjustment Factor. Formulas:

1) (kWh in Super Off-peak Period x Annual Average Power Supply Charge x 40%) / Peak Period kWh = Peak Period Adder.

2) (Peak Period Adder + Annual Average Power Supply Rate) / Annual Average Power Supply Rate = the peak Power Supply TOU period Adjustment Factor.

(5) For Rate Codes 194 and 195, the TOU period Adjustment Factors will be calculated for each year based on the most recently available load data and projected power supply costs for the coming year.

e) The Power Supply Charge for applicable TOU Rate Codes will be calculated each month based on the actual Power Supply Charge (see Statement of Power Supply Charge) times the Power Supply TOU period Adjustment Factors as identified in the Statement of the Power Supply Charge.

f) The Authority will prepare and retain on file a Statement of the Power Supply Charge. The Statement will be available at the Authority's business offices.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

A. Power Supply Charge (continued):

g) The Statement will be revised each time the Power Supply Charge is revised and will contain:

(1) The identification of the Service Classifications affected, and

(2) The date the Power Supply Charge becomes effective, and

(3) The month used to obtain the average cost of the Power Supply Charge, and

(4) The Market Supply Charge, the Local Supply Charge, and the Power Supply Charge (Market Supply plus Local Supply) rounded to the nearest 0.0001 cents per kWh.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

B. Increases In Rates and Charges To Recover PILOT Payments:

1. Gross Receipts Tax (including the Temporary Metropolitan Transportation Business Tax Surcharge) PILOT Payments to a Governmental Authority

   To recover gross receipts tax payments in lieu of taxes ("PILOT") to a governmental authority, the Authority will:

   a) Increase the rates and charges in the affected municipalities under all Service Classifications and rental charges, when they apply, by a percentage rate equal in amount to the PILOT Payments, and

   b) Prepare and retain on file a Statement of Adjustment in Rates and Charges summarizing the PILOT percentage rates. Statements will be available for review at the Authority's business offices.

   c) Calculation of the Gross Receipts Tax amount to be billed to Customers:

      (1) Calculate the Customer's total bill including the Power Supply Charge component using the current tariff rates.

      (2) Calculate the commodity portion of the Customer's bill by multiplying the Customer's energy usage (kWh) by the commodity rate.

      (3) Calculate the Customer's transportation component by subtracting the Customer's commodity portion (see c)(2) above) from the Customer's bill.

      (4) Adjust the commodity and transportation components (See paragraphs 2 and 3, above) by the Shoreham Property Tax Settlement Factor.

      (5) Apply the appropriate PILOT percentage rate for residential or nonresidential as shown on the Statement of Increase in Rates and Charges to Recover PILOT Payments to the commodity (see c)(2) above) and to the transportation components (See Paragraph 4).

      (6) Exceptions:

      In those instances where a Customer's commodity rate has not been classified under a rate code, the commodity rate will be based on the Customer's alternate rate and the appropriate Service Classification the commodity rate is listed under.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

C. Reserved for Future Use

[CANCELLED]

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

D. Shoreham Property Tax Settlement Rider:

1. Description of the Plan:

As provided in a proposed Settlement of certain Shoreham property tax and PILOT litigation, overpayments of certain property taxes and PILOTs to Shoreham taxing jurisdictions will be refunded to Customers through a combination of a rebate of $102,900,000 in the form of checks to Customers in Nassau County and the Rockaway Peninsula, a rebate of $45,300,000 in the form of checks to Customers in Suffolk County, and a Shoreham Property Tax Settlement Factor. The Authority will administer the rebate and Shoreham Property Tax Settlement Rider, and fund the Settlement through the issuance of bonds to be repaid by Suffolk County Customers.

2. Determination of the Shoreham Property Tax Settlement Factor:

The following annual amounts will be provided to Customers in Nassau County, the Rockaway Peninsula, and Suffolk County in the form of a percentage of revenue factor applied to monthly bills beginning with the original effective date of the Tariff Leaf:

Year Ending	Nassau/Rockaway	Suffolk
May 1999	$33.6 million	$12.9 million
May 2000	$24.4 million	$3.4 million
May 2001	$50 million	$30 million
May 2002	$50 million	$30 million
May 2003	$50 million	$30 million

The exact calculation of the revenue factor will be shown on a separate Statement of Shoreham Property Tax Settlement Factor, which will be updated annually and retained on file. The annual calculation of the factor will include a reconciliation of any amounts of overrefunding or underrefunding from the prior year.

Repayment of the Authority bonds issued to fund the Settlement will begin in the sixth (6^{th}) year following the effective date of this rider and continue thereafter until the entire principal and interest on the bonds, and all related costs, have been recovered by the Authority. The repayment factor will be zero (0) for Customers in Nassau County and the Rockaway Peninsula. The level of the repayment factor applicable to Suffolk County Customers will be determined annually based on the total cost of the bonds to be repaid that year divided by the expected retail revenues for that year.

The Shoreham Property Tax Settlement Factor does not apply to the Visual Benefits Assessment.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development:

1. Business Attraction/Expansion Program

a) Objective
This program is intended to attract, expand, or retain load in the Authority's Service Area by offering eligible Customers reduced electric rates for attraction or expansion and the ability to choose modified rating periods when committing to reduce their load beginning 3 p.m. on weekdays in the summer months (June – September) for attraction, expansion or retention. Refer to E.1.f.4 for exact hours. Participation in this program cannot occur concurrently with any other Business Development Program except the Recharge NY Power Program.

b) Who is Eligible

(1) An Applicant who:

(a) Moves a business into or starts a business in the Authority's Service Area, or

(b) Takes control of an existing business in the Authority's Service Area. Applicant shall demonstrate and sign an affidavit of independence stating that the new business will be different than the existing business, or

(c) Takes control of a failed business in the Authority's Service Area and can prove the bankruptcy of the failed business, and

(d) Qualifies for Service Classification No. 2-MRP and whose load level is expected to exceed 145 kW in any summer month (June through September, inclusive), and

(e) Takes its full load requirements under all accounts for the facility being served from the Authority or participates in the LI Choice Program or the Recharge NY Power Program.

(2) An existing Customer who:

(a) Expands its load by at least 100 kW in the Authority's Service Area up to at least 145 kW in any summer month (June through September, inclusive), or

(b) Increases employment by at least the equivalent of twenty (20) percent of full-time employees over a base complement of at least fifty (50) existing full-time employees, or

(c) Retains load of at least 145 kW in the Authority’s Service Area in any summer month (June through September, inclusive) that it would otherwise relocate or discontinue, and

(d) Takes its full load requirements under all accounts for the facility being served from the Authority or participates in the LI Choice Program or the Recharge NY Power Program.

(3) Exception:

Applicants or Customers engaged in Retail Enterprises are not eligible for this program.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued): Business Attraction/Expansion Program (continued):

c) Application Requirements

(1) Applicants/Customers shall request the Business Attraction/Expansion Program prior to locating in the Service Area or increasing their loads.

(2) Applicants/Customers shall provide information requested by the Authority that is needed to evaluate eligibility at the time of application.

(3) The Authority will maintain the confidentiality of this information to the full extent permitted by law.

d) Participation Requirements

Qualifying Customers shall:

(a) Participate in appropriate conservation programs offered by the Authority, and

(b) Maintain their accounts in good standing. An account in good standing will not be in arrears for more than thirty (30) days.

e) The Authority's Rights and Obligations

(1) The Authority may require the Applicant/Customer to reimburse it, before providing an electric service, for any system reinforcement and other facility costs needed to provide that service.

(2) The Authority may deny participation in this program to an eligible Applicant/Customer if, in the Authority's judgment, admitting the Applicant/Customer to the program would not advance the goals of expanding business activity, encouraging load retention, or minimizing the subsidization of the program by non-participants. The Authority will notify the Applicant/Customer of such denial.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued):
Business Attraction/Expansion Program (continued):

f) Incentives

(1) Discounts will apply to charges for additional electric use over the previous 12-month actual or estimated base levels at the time of participation. These base levels are adjusted for energy savings achieved from measures installed through the Authority's Commercial Efficiency or renewable programs. For new Customers, the base levels are zero (0). For retention customers, the base level is the entire load and no discounts will apply, but the retention Customer may choose modified rating periods.

(2) Discounts will be available to each qualifying Customer for a 5-year period. During the first year, the Customer will receive the entire discount as specified under Service Classification No. 2-MRP. After that, the discount will be decreased by one-fifth (1/5) each year until the Customer is billed at regular rate levels at the end of the fifth (5^{th}) year.

(3) For Customers participating in the Recharge NY Program, the discount will be limited to the portion of load provided by the Authority/Customer's ESCO.

(4) Modified rate periods will be available to each qualifying Customer that makes a commitment to reduce its load beginning 3 p.m. on weekdays in the summer months (June – September). For Qualifying Customers taking service under Service Classification No. 2-MRP that request this option, the modified peak Period 2 hours are June – September, Monday – Friday, from 3 p.m. to 8 p.m., for Rate Code M284 and June – September, Monday – Friday, from 3 p.m. to 10 p.m., for Rate Code M285. The hours excluded from the standard peak Period 2 will be added to the Intermediate period.

2. Manufacturing Competitiveness Program

a) Objective

This program is intended to provide support to certain manufacturing companies as certified by the New York State Department of Economic Development/Empire State Development Corporation for their Industrial Effectiveness Program. Support is provided by offering eligible Customers reduced electric rates and the ability to choose modified rating periods when committing to reduce their load beginning 3 p.m. on weekdays in the summer months (June – September). Refer to E.2.e.4 for exact hours. Participation in this program cannot occur concurrently with any other Business Development Program except the Recharge NY Program.

b) Who is Eligible

(1) Existing Customer accounts that take their full load requirements from the Authority or are enrolled in the LI Choice Program or the Recharge NY Program, and

(2) Take service under either Service Classification Nos. 2-L, 2L-VMRP, or 2-MRP, and

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued): Manufacturing Competitiveness Program (continued):

(3) Are certified by the regional director of the New York State Department of Economic Development/Empire State Development Corporation.

c) Participation Requirements

Customers shall:

(1) Participate in New York State's Industrial Effectiveness Program, and

(2) Receive funding from the Empire State Development Corporation for the Full Productivity Assessment phase under its Industrial Effectiveness Program, and

(3) Agree to all recommendations under the Industrial Effectiveness Program, and

(4) Participate in appropriate conservation programs offered by the Authority, and

(5) Maintain their accounts in good standing. An account in good standing will not have arrears in excess of thirty (30) days.

d) The Authority's Rights and Obligations

(1) The Authority will review the Customer's application before the Customer begins the Preliminary Productivity Assessment phase for the Industrial Effectiveness Program to ensure that the Customer is eligible, and

(2) The Authority will limit each participant's bill reduction over the 5-year life of the program to the total cash contribution of New York State plus twice the total cash contribution of the Customer towards only the outside consultant’s cost for the Full Productivity Assessment.

(3) The Authority may require repayment of all bill reductions if the program requirements are not met, including, but not limited to, the terms of the Application and implementing recommendations of the Industrial Effectiveness Program.

(4) The Authority may deny participation in this program to an eligible Customer if, in the Authority’s judgment, admitting the Customer to the program would not advance the goals of expanding business activity, encouraging load retention, strengthening Long Island’s economy, retaining jobs, reinforcing other economic development agencies on Long Island, or minimizing the subsidization of the program by non-participants. The Authority will notify the Customer of such denial.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued):
Manufacturing Competitiveness Program (continued):

e) Incentives

(1) Discounts apply to charges for the entire electric use of the Customer, but only for electric accounts included in the Industrial Effectiveness Program Assessment. These discounts are limited to amounts specified in d)(2) above.

(2) Discounts will be available to each qualifying Customer for a 5-year period. During the first year, the Customer will receive the entire discount as specified in the applicable Service Classification. After that, the discount will be decreased by one-fifth (1/5) until the Customer is billed at the regular rate levels at the end of the fifth (5^{th}) year.

(3) For Customers participating in the Recharge NY Power Program, the discount will be limited to the portion of load supplied by the Authority/Customer's ESCO.

(4) Modified rate periods will be available to each qualifying Customer that makes a commitment to reduce its load beginning 3 p.m. on weekdays in the summer months (June – September. For Qualifying Customers taking service under Service Classification No. 2-MRP that request this option, the modified peak Period 2 hours are June – September, Monday – Friday, from 3 p.m. to 8 p.m., for Rate Code M284 and June – September, Monday – Friday, from 3 p.m. to 10 p.m., for Rate Code M285. The hours excluded from the standard rate peak Period 2 will be added to the Intermediate period.

3. Business Incubation Program

a) Objective

This program is intended to attract new load in the Authority's service area by offering graduates of New York State sponsored Incubators reduced electric rates and the ability to choose modified rating periods when committing to reduce their load beginning 3 p.m. on weekdays in the summer months (June – September). Refer to E.3.f.3 for exact hours. Participation in this program cannot occur concurrently with any other Business Development Program except for the Recharge NY Power Program.

b) Who is Eligible
An Applicant who:

(1) Starts a business in the Authority's service area, and

(2) Takes its full load requirements under all accounts for the facility being served from the Authority or participates in the Long Island Choice Program or the Recharge NY Power Program, and

(3) Takes service under either Service Classification Nos. 2-L, 2L-VMRP, or 2-MRP, and

(4) Whose load does not exceed 1,000 kW.

(5) Applicants engaged in Retail Enterprises are not eligible for this program.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued):
Business Incubation Program (continued):

c) Application Requirements

Qualifying Customers shall:

(1) Have graduated from a New York State sponsored Incubator, and

(2) Request the Business Incubation Program prior to locating in the service area.

(3) Provide information requested by the Authority that is needed to evaluate the Applicant's eligibility at the time of application.

(4) The Authority will maintain the confidentiality of this information to the full extent permitted by law.

d) Participation Requirements

Qualifying Customers shall:

(1) Participate in appropriate conservation programs offered by the Authority, and

(2) Maintain their accounts in good standing. An account in good standing will not have arrears in excess of thirty (30) days.

e) The Authority's Rights and Obligations

(1) The Authority may require reimbursement from the Applicant, before providing an electric service, for any system reinforcement and other facility costs needed to provide that service.

(2) The Authority may deny participation in this program to an Applicant if, in the Authority's judgment, admitting the Applicant to the program would not advance the goals of expanding business activity, encouraging load retention, or minimizing the subsidization of the program by non-participants. The Authority will notify the Applicant of such denial.

f) Incentives

(1) Discounts will be available to each qualifying Customer for a 5-year period. During the first year, the Customer will receive the entire discount as specified in the applicable Service Classification. After that, the discount will be decreased by one-fifth (1/5) each succeeding year until the Customer is billed at the regular rate levels at the end of the fifth (5^{th}) year.

(2) For Customers participating in the Recharge NY Power Program, the discount will be limited to the portion of load supplied by the Authority/Customer's ESCO.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued):
Business Incubation Program (continued):

(3) Modified rate periods will be available to each qualifying Customer that makes a commitment to reduce its load beginning 3 p.m. on weekdays in the summer months (June – September). For Qualifying Customers taking service under Service Classification No. 2-MRP that request this option, the modified peak Period 2 hours are June – September, Monday – Friday, from 3 p.m. to 8 p.m., for Rate Code M284 and June – September, Monday – Friday, from 3 p.m. to 10 p.m., for Rate Code M285. The hours excluded from the standard peak Period 2 will be added to the Intermediate period.

4. Empire Zone Program

The Empire Zone Program expired on June 30, 2010. Customers on this program, prior to July 1, 2010, will continue to receive rate discounts until their previously agreed upon term has expired.

Incentives

a) Discounts, specified under the applicable Service Classification, will be available to each qualifying Customer for no less than five (5) years and no longer than ten (10) years even if the life of the zone is extended.

b) Discounts will be adjusted periodically due to changes in the Authority's incremental costs and/or rates, and

c) Discounts will apply to the charges for additional energy and non-peak period demands over the previous 12-months' actual or estimated base levels at the time of participation.

d) For Customers participating in the Recharge NY Power Program, the discount will be limited to the portion of load supplied by the Authority/Customer's ESCO.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued):

5. Excelsior Jobs Program

a) Objective

This program is intended to encourage businesses to expand or relocate to the Authority's service territory. Qualifying Customers that become certified through the New York State Empire State Development Corporation (ESD) are eligible to receive rates equal to the Authority's cost to provide additional units of service (i.e., incremental cost),expressed as a percentage of the otherwise applicable rates. These rate discounts will not be adjusted more than once every twelve (12) months. Participation in this program cannot occur concurrently with any other Business Development Program except the Recharge NY Power Program.

b) Program Definitions

(1) Approval Date – Date on which Customer has been accepted into the Excelsior Jobs Program by ESD but has not achieved the job requirement threshold to become certified.

(2) Certification Date – Date on which Customer has achieved Excelsior certification as recorded on a document from ESD and is considered certified in the program.

c) Who is Eligible

(1) A new Customer who:

(a) Takes service under Service Classification Nos. 2-L, 2L-VMRP, and 2-MRP, and

(b) Locates in or moves to the Authority's service territory, and

(c) Is Excelsior certified by the Empire State Development (ESD) of New York State, and

(d) Applies to the Authority for discount within one (1) year of NYS Excelsior Program approval.

(2) An existing Customer who:

(a) Increases its load by 25 percent or 50 kW, whichever is less; or

(b) Increases its load by 25 percent to a minimum of 7 kW if served under Service Classification Nos. 2 and 2-VMRP;

(c) Is Excelsior certified by the Empire State Development (ESD) of New York State; and

(d) Applies to the Authority for discount within one (1) year of NYS Excelsior Program certification.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued):
Excelsior Jobs Program (continued):

d) Participation Requirements

(1) Customer must provide proof of ESD certification in the Excelsior Jobs Program. ESD Approval Date will be utilized to determine a Customer's base load.

(2) Customer must meet and maintain Excelsior Jobs Program certification for discount to continue. Discount will be terminated upon de-certification by ESD.

(3) Customer must participate in appropriate conservation programs offered by the Authority.

(4) All qualifying Customers shall maintain their accounts in good standing. An account in good standing will not have arrears in excess of thirty (30) days.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued):
Excelsior Jobs Program (continued):

e) Incentives

(1) Discount Rate, specified under the applicable Service Classification, will be available to each qualifying Customer for up to ten (10) years upon proof of Excelsior Jobs Program certification from ESD.

(2) Discount Rate will be adjusted periodically due to changes in the Authority's costs and/or rates, and

(3) Discount Rate will apply only to the delivery charges for additional energy over the previous 12-months' actual or estimated base levels at the time of participation.

(a) For Applicants relocating from outside New York State, the base levels are zero (0).

(b) For Applicants relocating from within New York State but outside the Authority's service area, the base levels are zero (0).

(c) For applicants relocating from within the Authority's service territory with no previous electric account, base levels may be estimated by the Authority.

(4) For Customers participating in the Recharge NY Program, the discount will be limited to the portion of load provided by the Authority/Customer's ESCO.

(5) If a Customer loses certification at any point during participation or otherwise fails to meet the criteria that were established for eligibility in the Excelsior Jobs Program, the discounts provided under this program are revoked back to the date when the Customer ceased to be eligible. The Customer must refund all discounts received under this program from that date forward.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

E. Adjustments to Rates to Encourage Business Development (continued):

6. Recharge New York Power Program

a) Description and Availability

The Recharge New York Power Program is created by Chapter 60 (Part CC) of the Laws of 2011.

b) Who is Eligible

Customers currently taking service under Service Classification Nos. 2-L, 2L-VMRP, and 2-MRP and certified by the Economic Development Power Allocation Board to NYPA as qualified Customers who receive an allocation of power from NYPA under the Recharge NY Power Program based on the following criteria which shall be considered in the aggregate and no one of which shall be presumptively determinative:

(1) the significance of the cost of electricity to the applicant's overall cost of doing business, and the impact that a Recharge New York power allocation will have on the applicant's operating costs;

(2) the extent to which a Recharge New York power allocation will result in new capital investment in the state by the applicant;

(3) the extent to which a Recharge New York power allocation is consistent with any regional economic development council strategies and priorities;

(4) the type and cost of buildings, equipment and facilities to be constructed, enlarged or installed if the applicant were to receive an allocation;

(5) the applicant's payroll, salaries, benefits and number of jobs at the facility for which a Recharge New York power allocation is requested;

(6) the number of jobs that will be created or retained within the state in relation to the requested Recharge New York power allocation, and the extent to which the applicant will agree to commit to creating or retaining such jobs as a condition to receiving a Recharge New York power allocation;

(7) whether the applicant, due to the cost of electricity, is at risk of closing or curtailing facilities or operations in the state, relocating facilities or operations out of the state, or losing a significant number of jobs in the state, in the absence of a Recharge New York power allocation;

(8) the significance of the applicant's facility that would receive the Recharge New York power allocation to the economy of the area in which such facility is located;

(9) the extent to which the applicant has invested in energy efficiency measures, will agree to participate in or perform energy audits of its facilities, will agree to participate in energy efficiency programs of NYPA, or will commit to implement or otherwise make tangible investments in energy efficiency measures as a condition to receiving a Recharge New York power allocation;

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):

(10) whether the applicant receives a hydroelectric power allocation or benefits supported by the sale of hydroelectric power under another program administered in whole or in part by NYPA;

(11) the extent to which a Recharge New York power allocation will result in an advantage for an applicant in relation to the applicant's competitors within the state; and

(12) in addition to the foregoing criteria, in the case of a not-for-profit corporation, whether the applicant provides critical services or substantial benefits to the local community in which the facility for which the allocation is requested is located.

c) Participation Requirements

Customers shall:

(1) Make application to the New York State Economic Development Power Allocation Board based on the eligibility criteria described above and the criteria contained in Section 184 of the Economic Development Law, and

(2) Provide to the Authority a written certification by NYPA stating the amount of power allocated and any conditions associated with the award. The Authority will commence service on the first day of a month within sixty (60) days of receipt of the written certification.

(3) Maintain their accounts in good standing to continue participation in this program. An account in good standing will not have payment arrears in excess of thirty (30) days.

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 the Authority.

(2) In the event that NYPA is unable to deliver in any billing period any portion or all of the Recharge NY power to the Authority as contracted for, each Customer shall have their 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 the Authority/Customer's ESCO shall be billed according to the rates and provisions of the Service Classification applicable to the Customer's load served by the Authority 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 Power Supply Charge, Revenue Decoupling Mechanism, Delivery Service Adjustment and the Distributed Energy Resources Cost Recovery Rate.

(c) The increase in Rates and Charges to Recover PILOT Payments, the Merchant Function Charge, 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 Customer's bill.

(d) The Securitization Charge will be applied to the Customer's bill.

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):

e) Allocation of Billing Determinants between Recharge NY Power and Authority/Customer's ESCO-supplied Service Requirements

Where a Recharge NY Power allocation is not sufficient to meet the full requirements of a Customer in any billing period, the billing demand and billing energy for that Customer will be determined as follows:

(1) For a Customer not currently subject to an existing load sharing arrangement, the billing demand and the billing energy for the Recharge NY Power Program shall be determined by multiplying the Customer's metered demand and energy for the current billing period by the ratio of the Customer's Recharge NY Power allocation to the Customer's highest metered demand for the current billing period. Such ratio shall not be greater than one (1.0). The remaining amounts of demand and energy, if any, shall be billed by the Authority to the Customer under its Tariff at the non-Recharge NY Power rates otherwise applicable to the Customer.

(2) For a Customer subject to an existing load sharing agreement, the provisions of that arrangement shall govern the computation of Recharge NY Power service billing determinants for the affected Customer.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

F. Distributed Energy Resources Cost Recovery Rate:

1. The purpose of the Distributed Energy Resources Cost Recovery Rate is to recover the expenditures resulting from the Authority's Distributed Energy Resource programs.

2. Cost to be Recovered

   The Distributed Energy Resources Cost Recovery Rate recovers the cost of expenditures on Distributed Energy Resource programs explicitly approved by the Board of Trustees for the coming year, plus any under-recovery (or over-recovery) of the Distributed Energy Resources Cost Recovery Rate, minus any grant money received for the sole purpose of Distributed Energy Resources.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

F. Distributed Energy Resources Cost Recovery Rate (continued):

[CANCELLED]

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

F. Distributed Energy Resources Cost Recovery Rate (continued):

3. Calculation of the Distributed Energy Resources Cost Recovery Rate

The Distributed Energy Resources Cost Recovery Rate will be calculated separately for Small Customers and Large Customers. For Small Customers and Large Customers separately, the Distributed Energy Resources Cost Recovery Rate will be calculated as the sum of the eligible costs divided by the forecasted energy sales.

a) The Authority will prepare and retain on file a "Statement of Distributed Energy Resources 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 and the expected energy sales over which the authorized amounts will be recovered.

c) The Distributed Energy Resources Cost Recovery Rate will be set annually, effective January 1 of each year.

d) The Distributed Energy Resources Cost Recovery Rate may be reset during the year, based on updated values that have been approved by the Authority Board of Trustees.

e) The Distributed Energy Resources Cost Recovery Rate will be rounded to the nearest 0.0001 cents per kWh.

4. Definition of Small and Large Customers

For purposes of the Distributed Energy Resources Cost Recovery Rate, the following definitions of Small Customers and Large Customers will apply.

a) The Small Customer Distributed Energy Resources Cost Recovery Rate applies to:

(1) Service Classification No. 1 (Rate Codes: 180, 194, 195, 580)

(2) Service Classification No. 1-VTOU (Rate Codes: 190, 191, 192, 193)

(3) Service Classification No. 2 (Rate Code 280)

(4) Service Classification No. 2-VMRP (Rate Code 292)

(5) Service Classification Nos. 5, 7, 7A and 10 (Rate Codes 980, 780, 781, 782, 1580, 1581)

b) The Large Customer Distributed Energy Resources Cost Recovery Rate applies to:

(1) Service Classification Nos. 2-L, and 2L-VMRP(Rate Codes 281, 283, 291, 294)

(2) Service Classification No. 2-MRP, and 2-EVC (Rate Codes 284, 285, M284, M285, E1295, E2295, E3295, E4295)

(3) Service Classification Nos. 12 and 13 (Rate Codes 179, 680, 682, 278)

c) Retail Customers participating in the Long Island Choice or Green Choice Program are subject to the Distributed Energy Resources 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 Distributed Energy Resources Cost Recovery Rate.

e) Energy delivered under the Recharge NY Power Program is not subject to the Distributed Energy Resources Cost Recovery Rate. (Rate Code 680). Energy delivered under Rate Code 680 but not under the Recharge NY Power Program is subject to the Distributed Energy Resources Cost Recovery Rate.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

G. Visual Benefits Assessment:

1. Purpose

The purpose of the Visual Benefits Assessment (VBA) is to recover incremental costs incurred arising from a settlement between the Authority and the Town of Southampton stipulating that the Authority will bury the entire length of the transmission line running from Southampton to Bridgehampton. Absent this settlement, the Authority would have buried only 55% of the transmission line.

2. Establishment of the Visual Benefits Assessment

The Visual Benefits Assessment is established as a result of a stipulated settlement between the Authority and the Town of Southampton that requires the Town of Southampton to:

(a) Identify and make known to the Authority the specific areas within the boundaries of the Town that will be subject to the Visual Benefits Assessment. The Town will bear the ultimate responsibility for identifying all Customers located within the areas designated by the Town who are subject to the VBA and hold the Authority harmless in the event that certain Customers are misidentified as falling or not falling within the designated boundaries.

(b) Notify all Customers that would be affected by the proposed VBA.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

G. Visual Benefits Assessment (continued):

3. Costs to be Recovered

The VBA Rate will be calculated to recover the Authority's incremental revenue requirements resulting from burying approximately 45% of the Southampton to Bridgehampton transmission line that was originally planned as overhead facilities. The incremental costs shall be recovered from those accounts within the boundaries of the Township that are designated to the Authority by the Town of Southampton to be subject to the VBA. The components of the incremental annual revenue requirements include:

a) The incremental cost of the underground facilities, beyond what the Authority would have spent to construct the equivalent overhead facilities. The recovery of the incremental costs will be amortized over twenty (20) years with interest; plus

b) Other incremental expenses associated with the implementation, or construction of the stipulated underground facilities, the notification, billing, collection or administration of the VBA, or incremental payments in lieu of taxes (PILOTs). Such other incremental costs will be amortized (with the appropriate recovery of interest charges on the unamortized balance over the remaining life of the recovery period) from the point in time where the incremental expenses can be estimated or become known.

4. Cost Recovery Period and Method

a) The Authority's incremental costs for the underground facilities are planned to be recovered over a period of twenty (20) years or less.

b) Any incremental costs or associated interest expenses that are unrecovered by the end of twenty (20) years will be charged directly to the Town of Southampton for reimbursement.

c) To the extent that the Authority recovers all of its incremental costs (including interest) over a shorter time period, the VBA Rate may be set to zero (0).

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

G. Visual Benefits Assessment (continued):

5. Calculation of the VBA Rate

The VBA Rate will be calculated as the sum of the incremental costs, expressed on an annualized basis, as identified in G.3 above, divided by the forecasted annual energy sales to the applicable accounts that are within the designated areas.

a) The Authority will prepare and retain on file a "Statement of Visual Benefits Assessment Rate." The Statement will be available at the Authority's Business Offices.

b) The Statement will show the authorized amounts to be recovered, the equivalent level of annualized costs reflecting the Authority's cost of money, and the VBA Rate that will be used to calculate each affected Customer's charge on the bill.

c) The Statement will identify the criteria for applicability of the VBA to metered accounts that are within the boundaries of the Town of Southampton.

d) The VBA Rate will be set initially, based on the best available information at the time this original Tariff Leaf becomes effective. The VBA may be reset by the Authority staff, from time to time, based on updated values that have been provided to the Authority or otherwise recorded on its records.

e) The VBA Rate will be rounded to the nearest 0.0001¢/kWh

6. Definitions

a) Incremental Capital Costs: Incremental capital costs shall consist of the sum of all fully loaded incremental capital costs associated with the designated underground facilities minus the Authority's estimate of what it would have cost to construct an equivalent set of overhead facilities. The fully loaded incremental costs include the actual or estimated costs to:

(1) design and construct the designated new facilities

(2) construct, modify or restore any related facilities and associated work

(3) secure rights-of-way and

(4) obtain governmental and regulatory approvals.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

G. Visual Benefits Assessment (continued):

b) Other Incremental Costs: Other incremental costs include, but are not limited to, the costs incurred to notify affected Customers of the VBA, the incremental costs to administer and render the VBA in the Authority's billing and accounting systems, the legal and administrative costs to collect the VBA from customers, and any incremental payments in lieu of taxes (PILOTs).

c) Annualized Cost with Interest: the Authority will calculate the annualized payments over the recovery period to satisfy the Incremental Capital Costs and Other Incremental Costs. The Authority may choose to assume that the incremental costs were financed at a fixed interest rate over the recovery period, or at the prevailing interest rates that may be determined from time to time. The annualized payments may be adjusted from time to time, to ensure that the Authority recovers its incremental capital costs and related interest expense by the end of the recovery period.

7. Billing of the VBA

a) Charges for the VBA will be included on each applicable Customer's bill.

b) Payments received from Customers will be allocated first to all other charges on the bill. Any remaining payments will be credited against the VBA.

c) The VBA is not subject to Late Payment Charges, if any, as that term is defined within the Tariff for Electric Service.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

H. New York State Assessment Factor:

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

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.

3. Determination of the NYS Assessment Factor

a) In each calendar year, the Authority 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, the Authority 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 (9) months of 2009 that the Authority 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.

e) The NYS Assessment Factor will be expressed as a percentage increase to the applicable actual or estimated charges on the Customer's bill.

f) 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 Authority staff. The Statement will be available at the Authority's business offices.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

H. New York State Assessment Factor:

4. Application of the NYS Assessment Factor

a) The NYS Assessment Factor will apply to the following customer bill components:

(1) Base Rates including the service and meter charges, energy charges (kWh),
(2) and demand charge (kW); and
(3) Power Supply Charge; and
(4) Visual Benefits Assessment (VBA), if applicable; and
(5) Distributed Energy Resources Cost Recovery Rate; and
(6) Shoreham Property Tax (SPT) Settlement Factor if applicable; and
(7) Revenue Decoupling Mechanism; and
(8) Delivery Service Adjustment; and
(9) Securitization Offset Charge; and
(10) Securitization Charge; and
(11) Undergrounding Charge (UGC), if applicable; and
(12) Customer Benefit Contribution (CBC) Charge, if applicable; and
(13) 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 the Authority'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.

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 (12) 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 (continued):

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.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

J. Revenue Decoupling Mechanism

1. Purpose

The purpose of the Revenue Decoupling Mechanism is to recover approved Delivery Service Revenues from customers. Actual Delivery Service Revenues are reconciled to the approved Delivery Service Revenues through the Revenue Decoupling Mechanism for certain Service Classifications groups, as described below,

2. Definitions

For the purposes of the Revenue Decoupling Mechanism, the following Service Classification Groups will apply.

a) Residential

(1) Service Classification No. 1 (Rate Codes: 180, 194, 195, 580)

(2) Service Classification No. 1-VTOU (Rate Codes: 190, 191, 192, 193)

b) Small Commercial

(1) Service Classification No. 2 (Rate Code 280)

(2) Service Classification No. 2-VMRP (Rate Code 292)

c) Large Commercial excluding mandatory demand metered service with multiple rate periods:

(1) Service Classification No. 2-L (Rate Codes 281, 283, 291)

(2) Service Classification No. 2L-VMRP (Rate Code 294)

d) Mandatory Large Demand Metered Service with Multiple Rate Periods

(1) Service Classification No. 2-MRP (Rate Codes 284, 285, M284, M285)

(2) Service Classification No. 2-EVC (Rate Codes E1295, E2295, E3295, E4295)

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

J. Revenue Decoupling Mechanism
Definitions (continue):

e) Retail Customers participating in the Long Island Choice or Green Choice Program are subject to the Revenue Decoupling Mechanism according to their base rate Service Classification.

f) The Revenue Decoupling Mechanism does not apply to:

(1) Energy Service Companies (ESCOs) receiving service under Service Classification No. 14.

(2) Service Classification Nos. 5, 7, 7A and 10 (Rate Codes 980, 780, 781, 782, 1580, 1581).

(3) Service Classification Nos. 11, 12, and 13 (Rate Codes 289, 179, 680, 682, 278).

(4) All load delivered under the Empire Zone Program, Excelsior Jobs Program, Manufacturer's Competitiveness, Business Attraction/Expansion Program, Business Incubation, and Recharge New York Programs.

g) Annual Approved Delivery Service Revenues subject to the Revenue Decoupling Mechanism are:

The Delivery Service Revenues approved by the Authority for each Service Classification for each month, starting on April 1, 2015. Delivery Service Revenues exclude adjustments to rates and charges which include: the Power Supply Charge, Distributed Energy Resources Cost Recovery Rate, New York State Assessment Factor, Shoreham Property Tax Settlement Factor, Visual Benefits Assessment Rate, Charges to Recover PILOT Payments, the Revenue Decoupling Mechanism, the Delivery Service Adjustment, and the Undergrounding Charge.

h) Revenues for the calendar year are set forth in the approved LIPA budget, and are revised each December for the upcoming calendar year.

i) Actual booked Delivery Service Revenues are, for the purposes of Revenue Decoupling Mechanism, booked revenues for all Service Classifications for each month in the calendar year as it relates to the Service Charge, Meter Charge, Demand Charge (per kW), Reactive Demand Charge (per KVAR), Energy Charge for delivery (per kWh), Merchant Function Charge and the Customer Benefit Contribution Charge.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

J. Revenue Decoupling Mechanism

3. Cost Recovery Period and Method

For each Service Classification Group subject to the Revenue Decoupling Mechanism:

a) The difference between actual booked Delivery Service Revenues and approved Delivery Service Revenues will be reviewed monthly and accrued for refund to or recovery from the applicable Service Classification Groups.

b) After September 30 of each year, the cumulative revenue variance as of September 30 will be identified for each of the four (4) participating Service Classification Groups, and the refund or surcharge amount that is due to or from each of the four participating Service Classification Groups will be calculated.

c) For the calendar year beginning on January 1, 2017 and each subsequent calendar year, the revenue variance estimated through December 31 of the coming year will be calculated and included in the refund or surcharge amount applied to the participating Service Classification Groups.

(1) The revenue variance for the coming year will be calculated based on the actual variance from the prior twelve (12) months at the time the Revenue Decoupling Mechanism is calculated.

(2) In the event of a change to the Delivery Rates based on the implementation of a new sales forecast, which would mitigate the unknown variance in the coming year, subparagraph J.3.a).(c) may be fully or partially suspended as determined by the Authority.

d) Any revenue variance associated with the actual booked Delivery Service Revenues of the non-participating customer load as noted in Section VII. J.2.f) and any revenue variance associated with actual booked revenues from low income discounts will be allocated proportionately to the four Service Classification Groups participating in the Revenue Decoupling Mechanism based upon the actual booked Delivery Service Revenue for each Service Classification Group during the twelve (12) months ending September 30.

e) The refund or surcharge amount for each Service Classification Group will be divided by the forecasted Delivery Service Revenues for each Service Classification Group for the upcoming calendar year to develop the percentage of Delivery Service Revenues for each Service Classification Group.

f) Beginning in 2017, the surcharges or refunds percentages will be applied, to the Delivery Service charges associated with each Customer in the four participating Service Classification Groups, for the 12-month periods beginning January 1 of each calendar year.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS (continued):

J. Revenue Decoupling Mechanism
Cost Recovery Period and Method (continued)

g) If at any time the balance due from or owed to customers exceeds twenty ($20) million, the Authority Staff may adjust collection or refund of Revenue Decoupling Mechanism amounts prior to the onset of the next annual Revenue Decoupling Mechanism collection/refund period.

h) If in any Recovery Period the balance due from the Residential Service Classification Group exceeds an RDM percentage of 5%, the Authority will cap such percentage rate at 5% and defer the remaining balance for recovery to future periods.

i) If in any Recovery Period the balance due from any Commercial Service Classification Group exceeds an RDM percentage of 5%, the Authority will cap such percentage rate to 5% and re-allocate the remaining balance or a portion of the remaining balance to other Commercial Service Classification Groups and/or defer the remaining balance or portion of the remaining balance to future periods, as explained below.

(1) If a Commercial Service Classification Group experienced a loss in the number of Customers equal to 5% or less from the budgeted number of Customers, the balance to be recovered that exceeds 5% will be deferred to future periods.

(2) If any Commercial Service Classification Group experienced a loss in the number of Customers of more than 5% and exceeds the cap of 5%, revenue due to the loss of budgeted customers will be allocated pro-rata between all the Commercial Service Classification Groups. Any allocated balance that cannot be recovered from a Commercial Service Classification Group in that recovery period due to the 5% rate cap will be deferred to future periods from the same Commercial Service Classification Group to which it was allocated.

(3) The revenue that will be subject to a reallocation to other commercial classes will equal the difference between the average number of customers presented in the budget as compared to the actual number of customers during the tracking period, multiplied by the average revenue per customer during the tracking period.

4. Statement of Revenue Decoupling Mechanism

The Revenue Decoupling Mechanism percentage amount to be refunded or surcharged to Customers will be shown for each of the four participating Service Classification Groups and the effective date on the Statement of Revenue Decoupling Mechanism. The Authority will file such Statement for each annual collection/refund period, and the Statement will be available at the Authority's business offices.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

K. Delivery Service Adjustment

1. Purpose and Applicability

   The Delivery Service Adjustment is a rate mechanism that reconciles on an annual basis the difference between the amount of certain costs included in the Authority's base delivery rates ("Base Rate Costs") and the amount of such costs that the Authority actually incurs in an annual period.

2. Applicability

   a) The Delivery Service Adjustment will be assessed to Service Classification Nos.1, 1-VTOU, 2, 2-VMRP, 2-L, 2-L-VMRP, 2-MRP, 2-EVC, 5, 7, 7-A, 10, and 12.

   b) Retail Customers participating in the Long Island Choice or Green Choice Programs are subject to the Delivery Service Adjustment as applied to their Service Classification.

   c) The Delivery Service Adjustment does not apply to:

      (1) Service Classification Nos. 11 and 13 (Rate Codes 289, 278).

      (2) All load delivered under the Empire Zone Program, Excelsior Jobs Program, Manufacturer's Competitiveness Business Attraction/Expansion Program, Business Incubation, and Recharge New York Programs.

3. Relevant Terms and Conditions

   a) The Base Rate Costs subject to the Delivery Service Adjustment are as follows:

      (1) Storm Event Reserve Funding: Base Rate Costs include funding for a Storm Event Reserve. All Storm Event costs will be charged to the Storm Event Reserve. "Storm Events" are defined as set forth in the LIPA amended and restated, Operations Service Agreement ("OSA"), dated December 13, 2013. The recovery will be net of any anticipated reimbursements received from outside sources for Storm Events. Should the actual reimbursements vary from the anticipated reimbursements, the difference will be added to subsequent tracking periods. Storm preparation costs associated with storms that do not materialize may be recoverable through the Delivery Service Adjustment if a budget amendment recommending recovery of such costs is approved by the Authority Board of Trustees.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

K. Delivery Service Adjustment
Relevant Terms and Conditions: (continued)

(2) Debt Service Costs: In accordance with the Department Rate Recommendation dated September 28, 2015, Base Rate Costs include the amount of interest and principal payments on the Authority's debt adjusted for amounts associated with its fixed coverage ratio, plus all amounts of interest and principal payments including coverage collected on behalf of the Utility Debt Securitization Authority (and any similar authority).

(3) Non-Storm Emergency: Beginning January 2021, the incremental costs authorized by the Board of Trustees for Non-Storm Emergency Events as set forth in the LIPA amended and restated Operations Service Agreement ("OSA"), dated December 13, 2013, will be eligible for recovery. The recovery will be net of any anticipated reimbursements received from outside sources for that Non-Storm Emergency event or condition. Should the actual reimbursements vary from the anticipated reimbursements, the difference will be added to subsequent tracking periods. Consistent with Section 5.2.B.7 of the OSA:

i. The recovery will include the amount of the Budget Amendment approved by the Board for that budget year.

ii. The recovery will not include amounts for the expenditures that are designated for inclusion in future budget (contract) years.

iii. The materiality of the costs are considered as part of the determination to request and ultimate approval by the Board for a Budget Amendment to recover for Non-Storm Emergencies and will be included for recovery without further standards or requirements for materiality upon approval by the Board.

(4) Bad Debt Expense: Beginning January 2021, any variance of accrued bad debt expense from the amount in an approved LIPA budget during periods affected by a government-ordered or Board-authorized moratorium on service disconnections and for up to two (2) years following the end of such moratorium will be eligible for recovery.

(5) Service Provider Pension and Other Post-Employment Benefits (OPEB) Expense: Beginning January 2021, any variance from the amount in the Approved Annual Budget for pension and OPEB expenses related to the Service Provider's operations excluding Pension and OPEB allocated to Capital, Storms or Utility 2.0 as they are tracked separately will be eligible for recovery.

b. Tracking Period: The Tracking Period shall be the twelve (12) months beginning October 1 and ending September 30 of each year.

c. Storm Event Reserve Cap: The Storm Event Reserve Cap will be set to seventy-five ($75) million and will be shown on the Statement of Delivery Service Adjustment.

d. The difference between the actual costs incurred by the Authority during the Tracking Period as identified in Section K. 3. a and the Base Rate Costs for the Tracking Period will determine the DSA recovery/credit amount as follows:

(1) The entire difference in Debt Service Costs, Bad Debt Expense, and Service Provider pension and OPEB expense related to operations will be included for recovery/crediting in the next Recovery Period as defined below.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

K. Delivery Service Adjustment
Cost Recovery Period and Method: (continued)

(2) A cumulative balance will be established for the Storm Event Reserve. Starting in January 2016, the approved amount of revenue to be collected through base delivery charges to satisfy the Storm Event Reserve will be added to that balance monthly, and actual Storm Event expenditures throughout the Tracking Period will be deducted from the balance. The balance remaining in the account at the end of the Tracking Period will be determined. If a positive balance exists below the Storm Event Reserve Cap, the balance will remain in the Storm Event Reserve to offset future expenditures for Storm Events. If a negative balance exists, one-third (⅓) of that balance will be recovered in the next Recovery Period as defined below and the remaining two-thirds (⅔) of the balance will be eligible for recovery during a future Recovery Period.

(3) In the event that the balance in the Storm Event Reserve Fund exceeds the Storm Event Reserve Cap, the funds in excess of the Storm Event Reserve Cap will be used to offset future capital spending.

(4) Amounts to be recovered for the Non-Storm Emergency Events will be recovered in equal dollar installments over the three (3) succeeding annual Cost Recovery Periods.

4. Cost Recovery Period and Method

a) For the Service Classifications subject to the Delivery Service Adjustment:

(1) The difference in costs for the applicable Tracking Period as determined in accordance with Section K.3.d), will be credited to or recovered from the Service Classifications subject to the Delivery Service Adjustment.

(2) A Delivery Service Adjustment refund or recovery will be determined and applied to customer bills for the 12-months beginning January 1 of each calendar year (the "Recovery Period") subsequent to the end of the Tracking Period.

(3) To determine the Delivery Service Adjustment recovery or refund, the total Delivery Service Adjustment refund or recovery amount will be divided by the applicable forecasted Delivery Service Revenues for the Recovery Period to develop the Delivery Service Adjustment Percentage of Delivery Service Revenues.

(4) The Delivery Service Adjustment will be included in each applicable Customer's bill in an amount equal to the Customer's delivery charges times the Delivery Service Adjustment Percentage of Delivery Service Revenues, rounded to the nearest cent, in each month of the Recovery Period.

(5) Under or over recoveries of the Delivery Service Adjustment from prior Recovery Periods will be accrued at the end of each Recovery Period for refund or recovery through the Delivery Service Adjustment in a subsequent Recovery Period.

5. Statement of Delivery Service Adjustment

The calculation of the Delivery Service Adjustment Percentage of Delivery Service Revenues and the effective date will be shown on the Statement of Delivery Service Adjustment. The Authority will file such Statement annually, and the Statement will be available at the Authority's business offices.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

L. Customer Benefit Contribution Charge

1. Purpose

The purpose of the Customer Benefit Contribution (CBC) Charge is to recover funds that support public benefit programs from customers who install Distributed Generation. The Customer Benefit Charge will be distinguished by rate class, distributed generation technology, and method of compensation for net energy metering, and applied monthly to each eligible Customer's bill.

2. Applicability

The following customers will be subject to the Customer Benefit Contribution (CBC) charge

a) Mass Market Projects that become Substantially Interconnected on or after January 1, 2022. The CBC charge shall also apply to any Incremental Capacity Expansions for new systems interconnected on or after January 1, 2022;

b) The CBC charge shall apply to a customer that completely replaces their qualifying electric generating equipment that was interconnected before January 1, 2022, including any Incremental Capacity Expansions for such replaced systems;

c) The CBC charge shall not apply to a customer that was interconnected prior to January 1, 2022 that perform an Incremental Capacity Expansion of their qualifying electric generating equipment. The CBC charge shall not apply to the original project capacity nor the Incremental Capacity Expansion.

3. Calculation of Customer Benefit Contribution Charge

a) The funds that are eligible for recovery through the Customer Benefit Contribution Charge include the expenditures for the Low Income Program Discounts (Leaf No. 34B et. seq.), utility energy efficiency program costs, and the unavoidable renewable energy costs which are renewable energy costs minus a credit for capacity, energy, and market value of a Tier One Renewable Energy Credit (REC) and other costs as recommended by the Department of Public Service and approved by the LIPA Board of Trustees.

b) The eligible funds that are to be recovered will be attributed to rate classes based on the manner in which the corresponding charges are recovered, that is, on the basis of revenues or energy (kWh) as applicable.

c) The eligible funds assigned to each rate class will be divided by the budgeted energy (kWh) in the year of recovery for that service class to establish a dollars-per-kWh ($/kWh) public benefit cost.

d) The annual $/kWh public benefit cost will be multiplied by the annual kWh production by technology of a 1kW system, consistent with NY Public Service Commission Order in Case 15-E-0751 (Order Regarding Value Stack Compensation for High-Capacity Factor Resources), filed December 12, 2019, or subsequent Orders as may occur.

e) The Customer Benefit Contribution Charge is then converted to a daily charge for each rate class and technology by dividing the annual $/kW to be recovered by one year (365 days).

f) The Customer Benefit Contribution Charge will be phased in over three (3) years. The results of the calculation defined above in Steps a) through e) will be multiplied by one-third (⅓) for calendar year 2022 and multiplied by two-thirds (⅔) for calendar year 2023.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

L. Customer Benefit Contribution Charge (continued):

4. Billing the Customer Benefit Contribution Charge

   Eligible customers will be billed the Customer Benefit Contribution Charge by multiplying the daily $/kW rate from the Statement of Customer Benefit Contribution Charge for the Customer's applicable rate class and distributed generation technology, times the installed capacity of the eligible on-site Distributed Generation times the number of days on the bill.

5. Statement of Customer Benefit Contribution Charge

   The Customer Benefit Contribution Charge applicable to each Service Classification, Distributed Energy Resource technology type, and method of Net Energy Metering compensation will be provided on the Statement of Customer Benefit Contribution Charge annually with an effective date of January 1. The Statement will be available at the Authority's business offices.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

M. Merchant Function Charge (MFC)

1. Purpose
The Merchant Function Charge is a mechanism that recovers from Full Requirements customers the following costs associated with providing the service:

a) Electricity Supply Procurement
b) Electricity Supply Credit and Collection
c) Electricity Supply Uncollectible Expenses
d) Debt Service on Purchased Power Costs

2. Definitions

The Merchant Function Charge will apply to Full Requirements Customers receiving service under the following Service Classifications.

a) Residential

(1) Service Classification No. 1 (Rate Codes: 180, 580)
(2) Service Classification No. 1-VTOU (Rate Codes: 190, 191, 192, 193)

b) Small Commercial

(1) Service Classification No. 2 (Rate Code 280)
(2) Service Classification No. 2-VMRP (Rate Code 292)
(3) Service Classification No. 7 and No. 7A (Rate Codes 780, 781, 782)

c) Large Commercial excluding mandatory demand metered service with multiple rate periods:

(1) Service Classification No. 2-L (Rate Codes 281, 283, 291)
(2) Service Classification No. 2L-VMRP (Rate Code 294)

d) Other Service Classification

(1) Service Classification No. 2-MRP, 2-EVC (Rate Codes 284, 285, M284, M285, E1295, E2295, E3295, E4295)
(2) Service Classification No. 5 and No. 10 (Rate Codes 980, 1580, 1581)

3. Calculation of MFC

a) Electricity Supply Procurement: The Electricity Supply Procurement Rate will be calculated based on the budgeted amount of Electric Supply Procurement costs divided by all budgeted bundled sales of the applicable Service Classification Group.
b) Electricity Supply Credit and Collection: The Electricity Supply Credit and Collection Rate will be calculated based on the budgeted amount of Electric Supply Credit and Collection costs divided by all budgeted bundled sales of the applicable Service Classification Group.
c) Electricity Supply Uncollectible Expenses: The Electricity Supply Uncollectible Rate will be calculated based on the budgeted amount of Electric Supply Uncollectible Expenses divided by all budgeted bundled sales of the applicable Service Classification Group.
d) Debt Service on Purchased Power Costs: The Electricity Supply Debt Service Rate will be calculated based on the budgeted amount of Electric Supply Debt Service costs divided by all budgeted bundled sales of the applicable Service Classification Group

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

M. Merchant Function Charge (MFC) (continued):
Calculation of MFC (continued):

The MFC rates will be calculated as a kWh rate. The costs are the sum of cost components above allocated on total service class revenues to the four class groups identified in VII.M.2. The billing determinants are the total budgeted sales for the four class groups identified in VII.M.2.

4. Billing the MFC

   For each eligible customer, the MFC will be calculated by multiplying the MFC rate by the kWh on the Customer's bill.

5. Purchase of Receivables

   ESCOs participating in the Long Island Choice Program that choose the Consolidated Bill Option with Purchase of Receivables will be subject to a purchase of receivables rate equal to Electricity Supply Credit and Collection costs, plus the Electricity Supply Uncollectible Expenses and the Debt Service on Purchased Power Costs calculated as a percentage of budgeted Market Supply Revenues.

6. Statement of Merchant Function Charge and Purchase of Receivables Rate

   The Merchant Function Charge applicable to each Service Classification Group will be provided annually on the Statement of Merchant Function Charge and Purchase of Receivables Rate, with an effective date of January 1. The annual purchase of receivables rate will also be presented on the Statement of Merchant Function Charge and Purchase of Receivables Rate. The Statement will be available at the Authority's business offices.

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

N. Low Income Community Distributed Generation Credit

1. Purpose

The purpose of the Solar Communities Discount Program is to provide bill credits to certain Qualifying Low Income Customer derived from the output of the Solar Communities Feed-in Tariff. The credits provided through the Solar Communities Discount Program ("Solar Communities Discount Program Credits") will be allocated to a group of customers selected each year based on a random lottery process. The number of customers that can participate in the Solar Communities Discount Program will reflect the output of the solar generation projects participating in the Solar Communities Feed-in Tariff. The Solar Communities Discount Program Credits will be applied monthly to each eligible Customer's bill for a period of twelve (12) months.

2. Applicability

Customers will be selected to participate in the Solar Communities Discount Program through a random lottery conducted as follows:

a) All Qualifying Low Income Customers (defined on Leaf No. 38B) as of January 10 in each year are eligible to be in the Lottery Pool for the Solar Communities Discount Program, except:

(1) Qualifying Low Income Customers that are part of the CDG Program, Green Choice Program or Long Island Choice Program Customer;
(2) Residential Net Metering Customers or Remote Net Metering Satellite Customers;
(3) Qualifying Low Income Customers that have previously participated in the Solar Communities Discount Program, until all other Qualifying Low Income Customers have been offered the opportunity to participate; and
(4) Qualifying Low Income Customers receiving the Tier 4 discount.

d) The number of customers selected through the random lottery process to participate in the Solar Communities Discount Program will be determined by LIPA in January of each year and will be based on a forecast of the kWh that will be produced by solar generation projects participating in the Solar Communities Feed-in Tariff for the calendar year divided by a forecast of the average annual usage of Low Income Discount Program Customers.

e) LIPA will use a computer-based random number generation program to create randomly-assigned priority numbers to each account number that is in the Lottery Pool. The priority numbers will then be sorted from lowest to highest value, with the lowest values placed at the top of the list. The annual group of participants would then be taken in order from the top of the list.

f) Participants selected through the random lottery process may choose to opt-out of the Solar Communities Discount Program.

g) The Solar Communities Discount Program participants that have not opted-out will be assigned on an annual basis and will remain in the Solar Communities Discount Program for one year (365 days) starting on February 1 (the "Program Year").

VII. ADJUSTMENTS TO RATES AND CHARGES OF SERVICE CLASSIFICATIONS: (continued):

N. Low Income Community Distributed Generation Credit (continued):

h) Once selected, Solar Communities Discount Program participants do not need to maintain their Qualifying Low Income Customers status to continue to receive the Solar Communities Discount Program Credit for the remainder of that Program Year at that billing location.

i) Solar Communities Discount Program Credits are not transferable to new locations if the participant closes the account at the initially designated account location.

3. Calculation of Solar Communities Discount Program Credit

a) The Solar Communities Discount Program Credit will be $0.33 per day multiplied by the number of days in the current billing period that fall between February 1 and January 31 of that Program Year.

b) The Solar Communities Discount Program Credit is applied to a Customer's bill after application of the Low Income Program Discount.

c) The Solar Communities Discount Program Credit will not be adjusted by other Adjustments to Rates and Charges specified in Section VII of the Tariff.

d) If the total Solar Communities Discount Program Credit identified in N.3.a) for the current billing period exceeds a Customer's charges for the entire billing period, including the Power Supply Charge, the current billing period's Solar Communities Discount Program Credit will equal the total bill for that period.

e) Solar Communities Discount Program Credits will be fixed for the Program Year at the projected values and will not be reduced because of any reduction in output from solar generation projects participating in the Solar Communities Feed-in Tariff.

4. Posting the Solar Communities Discount Program Credit to Customers' Bills

The Solar Communities Discount Program Credit will be posted as an additional credit in the summary section of the Customer's bill and will not be associated with the calculation of any other billing determinants.

VIII. SERVICE CLASSIFICATIONS:

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

1. Who Is Eligible

a) A Customer who will use the service for residential purposes or as specified in Section 76 of the Public Service Law, for religious purposes, a Community Residence, or a post or hall owned or leased by a not-for-profit corporation that is a Veterans' Organization.

b) A Customer, as described in a. above, that has the option under Service Classification No. 12 – Backup and Maintenance Service, of choosing to pay the rates and charges associated with a different Service Classification.

2. Character of Service

a) Continuous, 60 hertz, alternating current.

b) Approximately 120/208 or 120/240 volts, single or three-phase, depending on the characteristics of the load and the circuit supplying the service.

VIII.SERVICE CLASSIFICATIONS: (continued):

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

3. Rates and Charges per Meter:

a) Schedule of Rates

The rates for this service code are set forth below.

Rate Code 194 Service	June to September Inclusive	October to May Inclusive
Service Charge per Day	$ 0.5600	$ 0.5600
Energy Charge per kWh		
Peak Hours	$ 0.2217	$ 0.1885
Off-Peak Hours	$ 0.1093	$ 0.0929

Periods:
Peak Hours: 3:00 PM – 7:00 PM Monday through Friday excluding Federal Holidays
Off-Peak Hours: 7:00 PM – 3:00 PM Monday through Friday, and all hours on Saturday, Sunday and Federal Holidays

Rate Code 195 Service	June to September Inclusive	October to May Inclusive
Service Charge per Day	$ 0.5600	$ 0.5600
Energy Charge per kWh		
Peak Hours	$ 0.2979	$ 0.2440
Off-Peak Hours	$ 0.1388	$ 0.0929
Super Off-Peak Hours	$ 0.0452	$ 0.0450

Periods:
Peak Hours: 3:00 PM – 7:00 PM Monday through Friday excluding Federal Holidays
Off-Peak Hours: 6:00 AM – 3:00 PM and 7:00 PM – 10:00 PM Monday through Friday, and 6:00 AM – 10:00 PM on Saturday, Sunday and Federal Holidays
Super Off-Peak: 10:00 PM – 6:00 AM all days

Rate Code 180 Service	June to September Inclusive	October to May Inclusive
Service Charge per Day	$ 0.5600	$ 0.5600
Energy Charge per kWh per month		
First 250 kWh @	$ 0.1064	$ 0.1064
Over 250 kWh @	$ 0.1348	$ 0.1064

VIII.SERVICE CLASSIFICATIONS: (continued):

A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):
(Rate Codes: 180, 194, 195, 580)
Rates and Charges per Meter (continued):

Rate Code 580 (Space Heating)	June to September Inclusive	October to May Inclusive
Service Charge per Day	$ 0.5600	$ 0.5600
Energy Charge per kWh per month		
First 250 kWh @	$ 0.1064	$ 0.1064
Next 150 kWh @	$ 0.1348	$ 0.1064
Over 400 kWh @	$ 0.1348	$ 0.0585

VIII.SERVICE CLASSIFICATIONS: (continued):

A. SERVICE CLASSIFICATION NO. 1 - Residential Service (continued):
(Rate Codes: 180, 194, 195, 580)
Rates and Charges per Meter (continued):

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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

Each Customer's bill may be adjusted for the following additional charges:

i) Customer Benefit Contribution Charge as identified in Section VII.L
ii) Visual Benefit Assessment as identified in Section VII.G
iii) Undergrounding Charge as identified in Section III.D

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 the Tariff.

VIII.SERVICE CLASSIFICATIONS: (continued):

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

7. Special Provisions

a) 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) 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 twelve (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 Rate Code 194 or 195 before the first twelve (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):

c) 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.

d) 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 nonresidential 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.

VIII.SERVICE CLASSIFICATIONS: (continued):

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

[CANCELLED]

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.

VIII.SERVICE CLASSIFICATIONS (continued):

B. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

B. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

B. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

B. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

B. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

C. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

C. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

C. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

C. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

C.1 SERVICE CLASSIFICATION NO. 1-VTOU
Voluntary Residential Service With Time-of-Use Rates:
(Rate Codes: 190, 191, 192, 193)

1. Who Is Eligible

   a) Qualifying Applicants who will use the service for residential purposes or as specified in Section 76 of the Public Service Law, for religious purposes, a Community Residence, or a post or hall owned or leased by a not-for-profit corporation that is a Veterans Organization as an alternative to Service Classification No. 1.

   b) A Customer, as described in a. above, that has the option under Service Classification No. 12 – Backup and Maintenance Service, of choosing to pay the rates and charges associated with a different Service Classification.

   c) Customers must have that Advanced Metering Infrastructure (AMI) installed to qualify.

   d) Customers are not eligible to return to Rate Codes 190, 191, or 192 for a period of twelve (12) months from their date of exit from Rate Codes 190, 191, or 192.

   e) Effective September 15, 2023, Rate Codes 190, 191, 192 and 193 are no longer available to new or transferring Customers.

2. Character of Service

   a) Continuous, 60 hertz, alternating current.

   b) Approximately 120/208, 120/240 volts, single or three-phase, depending on the characteristics of the load and the circuit supplying the service.

3. Seasons

   Summer Season: June 1 through September 30 inclusive
   Shoulder Season: October 1 through November 30 and April 1 through May 31 inclusive
   Winter Season: December 1 through March 31 inclusive

4. Periods:

   Each rate will have multiple time periods in each day. The time periods are defined within the schedule of rates for each rate code.

5. Power Supply Charges:

   a) The Power Supply Charge will vary for each period.

   b) The Authority will publish the rates as part of the Statement of Power Supply Charge. The Statement will be available at the Authority's business offices.

VIII.SERVICE CLASSIFICATIONS (continued):

C.1 SERVICE CLASSIFICATION NO. 1-VTOU
Voluntary Residential Service with Time-of-Use Rates (continued):
(Rate Codes: 190, 191, 192, 193)

6. Rates & Charges Per Meter:

a) Schedule of Rates:
The Rates for this service code are set below:

Rate Code 190

Service Charge per Day: $ 0.5600 per day

Energy Charge per kWh	Summer Season	Winter Season	Shoulder Season
Peak	$ 0.2697	$ 0.2222	$ 0.1698
Off-Peak	$ 0.1157	$ 0.1157	$ 0.1157
Super Off-Peak	$ 0.0694	$ 0.0694	$ 0.0694

Periods:
Peak: 4:00 PM – 7:00 PM Monday through Friday excluding Federal Holidays
Off-Peak: 6:00 AM – 4:00 PM and 7:00 PM – 10:00 PM Monday through Friday, and 6:00 AM – 10:00 PM on Saturday, Sunday and Federal Holidays
Super Off-Peak: 10:00 PM – 6:00 AM all days

Rate Code 191

Service Charge per Day: $ 0.5600 per day

Energy Charge per kWh	Summer Season	Winter Season	Shoulder Season
Peak	$ 0.2324	$ 0.1862	$ 0.1466
Off-Peak	$ 0.1157	$ 0.1157	$ 0.1157
Super Off-Peak	$ 0.0694	$ 0.0694	$ 0.0694

Periods:
Peak: 4:00 PM – 8:00 PM Monday through Friday excluding Federal Holidays
Off-Peak: 7:00 AM – 4:00 PM and 8:00 PM – 11:00 PM Monday through Friday, and 7:00 AM – 11:00 PM on Saturday, Sunday and Federal Holidays
Super Off-Peak: 11:00 PM – 7:00 AM all days

VIII.SERVICE CLASSIFICATIONS (continued):

C.1 SERVICE CLASSIFICATION NO. 1-VTOU
Voluntary Residential Service with Time-of-Use Rates (continued):
(Rate Codes: 190, 191, 192, 193)
Rates & Charges Per Meter (continued):

Rate Code 192

Service Charge per Day: $ 0.5600 per day

Energy Charge per kWh	Summer Season	Winter Season	Shoulder Season
Peak	$ 0.2336	$ 0.1972	$ 0.1578
Off-Peak	$ 0.1157	$ 0.1157	$ 0.1157
Super Off-Peak	$ 0.0694	$ 0.0694	$ 0.0694

Periods:
Peak: 3:00 PM – 7:00 PM Monday through Friday excluding Federal Holidays
Off-Peak: 6:00 AM – 3:00 PM and 7:00 PM – 10:00 PM Monday through Friday, and 6:00 AM – 10:00 PM on Saturday, Sunday and Federal Holidays
Super Off-Peak: 10:00 PM – 6:00 AM all days

Rate Code 193

Service Charge per Day: $ 0.5600 per day

Energy Charge per kWh	Summer Season	Winter/Shoulder Season
Daytime	$ 0.1438	$ 0.1173
Nighttime	$ 0.0694	$ 0.0694

Periods:
Daytime: 6:00 AM – 11:00 PM all days
Nighttime: 11:00 PM – 6:00 AM all days

VIII.SERVICE CLASSIFICATIONS (continued):

C.1 SERVICE CLASSIFICATION NO. 1-VTOU
Voluntary Residential Service with Time-of-Use Rates (continued):
(Rate Codes: 190, 191, 192, 193)
Rates & Charges Per Meter (continued):

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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

Each Customer's bill may be adjusted for the following additional charges:
i) Customer Benefit Contribution Charge as identified in Section VII.L
ii) Visual Benefit Assessment as identified in Section VII.G
iii) Undergrounding Charge as identified in Section III.D

7. Minimum Charge

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

8. 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.

9. 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 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 the Tariff.

10. Special Provisions

a) 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 nonresidential 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.

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 No. 12 – Standby 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 not 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.

Rate Code 280	June to September Inclusive	October to May Inclusive
Service Charge per day	$ 0.5600	$ 0.5600
Energy Charge per kWh	$ 0.1478	$ 0.1186

VIII.SERVICE CLASSIFICATIONS (continued):

D. SERVICE CLASSIFICATION NO. 2 - General Service – Small (continued):
(Rate Code: 280)
Rates and Charges per Meter (continued):

a) 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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, Delivery Service Adjustment, and the Securitization Offset Charge.

Each Customer's bill may be adjusted for the following additional charges:

i) Customer Benefit Contribution Charge as identified in Section VII.L
ii) Visual Benefit Assessment as identified in Section VII.G
iii) Undergrounding Charge as identified in Section III.D

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 the Tariff.

8. Special Provisions

a) 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):

D. SERVICE CLASSIFICATION NO. 2 - General Service – Small (continued):
(Rate Code: 280)
Special Provisions (continued):

c) Transfer to Service Classification No. 2-L, or 2L-VMRP

Customers will be transferred to Service Classification No. 2-L, or at their option, 2L-VMRP when:

(1) For monthly-billed Customers, electric usage 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

(2) For bimonthly-billed Customers, consumption during the last twelve (12) months has equaled or been greater than 4,000 kWh in two (2) consecutive bimonthly billing periods.

The transfer will take place within ninety (90) days after the Authority certifies that the Customer qualifies for the service.

d) Excelsior Jobs Program

The Excelsior Program is intended to encourage businesses to expand or relocate to the Authority's service territory.

(1) The Authority's discount is available to certified participants who increase their load by at least 25%, to a minimum of 7 kW within one (1) year of Excelsior Jobs Program certification, and

(2) Customers who qualify would be transferred to an appropriate demand-meter rate (Service Classifications Nos. 2-L, 2L-VMRP, or 2-MRP) and receive rate discounts on charges for the additional energy used as stated under that Service Classification.

e) Service for Religious Purposes, or 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 Section 76 of the Public Service Law, may apply for a suitable 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.

VIII.SERVICE CLASSIFICATIONS (continued):

E. SERVICE CLASSIFICATION NO. 2-VMRP
Voluntary Small General Service With Multiple Rate Periods:
(Rate Code: 292)

1. Who Is Eligible

   a) Customers who will use the service on a voluntary basis as an alternative to Service Classification No. 2, for any purposes other than Residential, when the Authority estimates that the Applicant's demand will be less than 7 kW, subject to Special Provision 10.*b.* below.

   b) A Customer, as described in a. above, that has the option under Service Classification No. 12 – Standby Service, of choosing to pay the rates and charges associated with a different Service Classification.

   c) Customers must have Advanced Metering Infrastructure (AMI) installed to qualify.

   d) A Customer is not eligible to return to Rate Code 292 for a period of twelve (12) months from its date of exit from Rate Code 292.

   e) Effective January 1, 2026, Rate Code 288 is no longer available to Customers. Customers participating in Rate Code 288 as of December 1, 2025 will be transferred to Rate Code 292 on their December 2025 billing date unless they do not qualify for Rate Code 292 or request another rate code available to them at least thirty (30) days before December 1, 2025. Rate Code 288 customers without an AMI meter will be transferred to Rate Code 280.

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 single or three-phase; depending on the size and characteristics of the load and the circuit supplying the service.

3. Seasons

   Summer Season: June 1 through September 30 inclusive
   Winter Season: December 1 through March 31 inclusive
   Shoulder Season: April 1 through May 31 inclusive and October 1 through November 30 inclusive

4. Periods

   The rates will have multiple time periods in each day. The time periods within the schedule of rates for each rate code.

5. Power Supply Charges:

   a) The Power Supply Charge will vary for each period.

   b) The Authority will publish the rates as part of the Statement of Power Supply Charge. The Statement will be available at the Authority’s business offices.

VIII.SERVICE CLASSIFICATIONS (continued):

E. SERVICE CLASSIFICATION NO. 2-VMRP
Voluntary Small General Service With Multiple Rate Periods: (continued)
(Rate Code: 292)

6. Rates and Charges per Meter:

a) Schedule of Rates

The rates for this service code are found below

Rate Code 292

Service Charge per day $ 0.5600

Energy Charge per kWh	Summer Season	Winter Season	Shoulder Season
Peak	$ 0.2551	$ 0.2061	$ 0.1447
Off-Peak	$ 0.1291	$ 0.1291	$ 0.1291
Super Off-Peak	$ 0.0775	$ 0.0775	$ 0.0775

Periods:

Peak:	3:00 PM – 7:00 PM Monday through Friday excluding Federal Holidays
Off-Peak:	6:00 AM – 3:00 PM and 7:00 PM – 11:00 PM Monday through Friday, and 6:00 AM – 11:00 PM on Saturday, Sunday and Federal Holidays
Super Off-Peak:	11:00 PM – 6:00 AM all days

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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

Each Customer's bill may be adjusted for the following additional charges:

i) Customer Benefit Contribution Charge as identified in Section VII.L
ii) Visual Benefit Assessment as identified in Section VII.G
iii) Undergrounding Charge as identified in Section III.D

VIII.SERVICE CLASSIFICATIONS (continued):

E. SERVICE CLASSIFICATION NO. 2-VMRP
Voluntary Small General Service With Multiple Rate Periods: (continued)
(Rate Code:292)

7. Minimum Charge

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

8. 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.

9. 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 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 the Tariff.

10. Special Provisions

a) 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) Transfer to Service Classification No. 2-L, or 2L-VMRP

(1) Customers will be transferred to Service Classification No. 2-L, or at their option 2L-VMRP 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 two (2) consecutive bimonthly billing periods.

(2) The transfer will take place within ninety (90) days after the Authority certifies that the Customer qualifies for the service.

VIII.SERVICE CLASSIFICATIONS (continued):

E. SERVICE CLASSIFICATION NO. 2-VMRP
Voluntary Small General Service With Multiple Rate Periods: (continued)
(Rate Code:292)
Special Provisions (continued):

c) Excelsior Jobs Program

The Excelsior Jobs Program is intended to encourage businesses to expand or relocate to the Authority's Service Area.

(1) The Authority's discount is available to certified participants who increase their load by at least 25%, to a minimum of 7 kW within one (1) year of Excelsior Jobs Program certification, and

(2) Customers who qualify would be transferred to an appropriate demand-meter rate (Service Classification Nos. 2-L, 2L-VMRP, or 2-MRP) and receive rate discounts on charges for the additional energy used as stated under that Service Classification.

d) Service for Religious Purposes, Supervised 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 Section 76 of the Public Service Law, may apply for a suitable 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

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

VIII.SERVICE CLASSIFICATIONS (continued):

F. SERVICE CLASSIFICATION NO. 2-L - General Service - Large:
(Rate Codes: 281, 283, 291)

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 two (2) consecutive bimonthly billing periods, 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 No. 12 – Standby Service, 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, or 7,620/13,200volts, 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, 291)

3. Rates and Charges per Meter:

a) Schedule of Rates

The rates for this service code are set forth below.

	Secondary Service	
Rate Code 281	June to September Inclusive	October to May Inclusive
Service Charge per day	$ 2.92	$ 2.92
Demand Charge per kW of demand	$ 22.22	$ 20.38
Energy Charge per kWh	$ 0.0375	$ 0.0147

	Primary Service	
Rate Code 281	June to September Inclusive	October to May Inclusive
Service Charge per day	$ 2.92	$ 2.92
Demand Charge per kW of demand	$ 20.75	$ 18.95
Energy Charge per kWh	$ 0.0369	$ 0.0141
Demand Charge per KVAR of Reactive Demand	$ 0.270	$ 0.270

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, 291)

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

	June to September Inclusive	Remaining Months Inclusive
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 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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

d) 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 Code 281 and whose accounts are under the school's name and, as such, are tax exempt, would also qualify for Rate Code 291.

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 may 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):

F. SERVICE CLASSIFICATION NO. 2-L - General Service – Large (continued): (Rate Codes: 281, 283, 291)

6. How Demand is Determined

a) The Authority will furnish and maintain a demand meter of standard type to determine the demand. The demand is the maximum 15-minute integrated demand during the month, taken to the nearest one-half (1/2) kilowatt.

b) For billing purposes, the Authority will establish the monthly demand for the period ending on the date the meter is read or estimated, and it will be the greater of:

(1) The recorded demand, or

(2) For the summer months (June through September), 85% of the maximum recorded demand established during any summer month throughout the preceding eleven (11) months or

(3) For the winter months (October through May), 70% of the maximum recorded demand established during any summer month (June through September) throughout the preceding eleven (11) months.

c) Only the recorded demand will apply to Customer-generators eligible for net billing.

7. How the Net Reactive Demand is Determined

a) The Net Reactive Demand is the 15-minute integrated kilovolt-amperes of lagging reactive demand minus 45% of the 15-minute integrated kilowatt demand recorded during the same 15-minute period.

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

c) For monthly billing purposes, the maximum Net Reactive Demand will be the greater of:

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

(2) 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.

8. 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 (continued): (Rate Codes: 281, 283, 291)

9. 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 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 the Tariff.

10. Special Provisions

a) 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.

c) Transfer to Other Service Classifications

(1) At their option, Customers taking service at secondary voltages may transfer to either Service Classification No. 2, General Service - Small or Service Classification No. 2-VMRP, Voluntary Small General Service with Multiple Rating Periods, when:

(a) The Customer requests a transfer, and

(b) The metered demand of the Customer has been less than 5.6 kW for twelve (12) consecutive billing periods, and

(c) The energy consumption has been less than 1,600 kWh per month for twelve (12) consecutive billing periods, and

(d) The transfer will take place within ninety (90) days after the Authority certifies that the Customer qualifies for the services.

VIII.SERVICE CLASSIFICATIONS (continued):

F. SERVICE CLASSIFICATION NO. 2-L - General Service – Large (continued):
(Rate Codes: 281, 283, 291)
Special Provisions (continued):

(2) Customers will be transferred to Service Classification No. 2-MRP, Large General and Industrial Service with Multiple Rate Periods, when the monthly recorded demand:

(a) Was greater than 145 kW in any two (2) consecutive months, in which case the transfer will take place within ninety (90) days after the summer billing period ends.

(b) The S.C. No. 2-MRP rate will go into effect on the day the meter is installed.

d) Business Development Programs

(1) Empire Zone Program

(a) The Empire Zone Program expired on June 30, 2010. Customers on this program, prior to July 1, 2010, will continue to receive authorized rate discounts until their previously agreed upon term has expired.

(b) With the exception of the Calverton portion of the Suffolk County Empire Zone, Customers who qualify receive a 50% discount on their Base Rate Energy Charge per kWh and Winter (October through May) Demand Charges, but only for the additional energy and demand.

(c) Qualifying customers within the Calverton portion of the Suffolk County Empire Zone receive a 6% discount on their Base Rate Energy Charge per kWh and Winter (October through May) Demand Charges, but only for the additional energy and demand.

(2) Excelsior Jobs Program

(a) The Excelsior Jobs Program is intended to encourage business to expand or relocate to the Authority's Service Area.

(b) The Authority's discount is available to certified participants who increase their load by at least 25%, to a minimum of 7 kW within one (1) year of Excelsior Jobs Program certification.

(c) Customers who qualify will pay $0.0467 for their Base Rate Energy Charge per kWh for the additional energy associated with the incremental load subsequent to the ESD Approval Date. There will be no demand charges associated with the incremental load subsequent to the ESD Approval Date.

VIII.SERVICE CLASSIFICATIONS (continued):

F. SERVICE CLASSIFICATION NO. 2-L - General Service – Large (continued):
(Rate Codes: 281, 283, 291)
Special Provisions (continued):

(3) Manufacturing Competitiveness, and Business Incubation Programs

(a) Customers who qualify after June 29, 2012 receive a 100% discount on their Base Rate Energy Charge per kWh. Participants that qualified before June 29, 2012 will continue to receive a 50% discount on their Base Rate Energy Charge per kWh, subject to pro-ration as noted in the next paragraph.

(b) The discounts apply to the first year of their participation in the program and will decrease by one-fifth (1/5) each year after the first year until the Customers are billed at the rate's regular levels at the end of the fifth (5^{th}) year.

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

Customers under this Service Classification who use electricity for religious purposes or for community residences, Veterans Organizations as specified in Section 76 of the Public Service Law, may apply for a suitable 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.

VIII.SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP
Voluntary Large Demand Metered Service With Multiple Rate Periods:
(Rate Code: 294)

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 two (2) consecutive bimonthly billing periods, 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 No. 12 – Standby Service, can choose to pay the rates and charges associated with a different Service Classification.

e) This Service is optional to S.C. No. 2-L.

f) Customers must have Advanced Metering Infrastructure (AMI) installed to qualify.

g) Effective January 1, 2026, Rate Code 282 is no longer available to Customers. Customers participating in Rate Code 282 as of December 1, 2025 will be transferred to Rate Code 294 on their December 2025 billing date unless they do not qualify for Rate Code 294 or request another rate code available to them at least thirty (30) days before December 1, 2025. Rate Code 282 Customers without an AMI meter will be transferred to Rate Code 281.

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 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 or7,620/13,200volts, 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 Code: 294)

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP
Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Code: 294)

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP

Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Code: 294)

3. Rates and Charges per Meter per Month:

a) Schedule of Rates

The rates for this service code are set forth below.

Rate Code 294

Service Charge per day $ 2.92

Energy Charge per kWh	Summer Season	Winter Season	Shoulder Season
Peak	$ 0.0578	$ 0.0246	$ 0.0240
Off-Peak	$ 0.0375	$ 0.0147	$ 0.0147
Super Off-Peak	$ 0.0225	$ 0.0088	$ 0.0088

Demand Charge per kW	Summer Season	Winter Season	Shoulder Season
Peak	$ 20.19	$ 14.65	$ 14.65
Off-Peak	$ 9.64	$ 9.03	$ 9.03

Periods:

Peak:	3:00 PM – 7:00 PM Monday through Friday excluding Federal Holidays
Off-Peak:	6:00 AM – 3:00 PM and 7:00 PM – 11:00 PM Monday through Friday, and 6:00 AM – 11:00 PM on Saturday, Sunday and Federal Holidays
Super Off-Peak:	11:00 PM – 6:00 AM all days

Summer Season: June 1 through September 30 inclusive
Winter Season: December 1 through March 31 inclusive
Shoulder Season: April 1 through May 31 inclusive and October 1 through November 30 inclusive.

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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

4. Power Supply Charges:

a) The Power Supply Charge will vary for each period.

b) The Authority will publish the rates as part of the Statement of Power Supply Charge. The Statement will be available at the Authority's business offices.

VIII.SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP
Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Code: 294)

5. Minimum Charge
The monthly Minimum Charge is the Service Charge, and may include an annual Demand Charge (See 7.below), plus Adjustments to Rates and Charges.

6. How Demand is Determined
The Authority will furnish and maintain a demand meter of standard type to determine the demand. The demand is the maximum 15-minute demand during the month in each Rate Period, taken to the nearest one-tenth (1/10) kilowatt.

7. How the Minimum Demand Charges are Determined
   a) The Authority will charge an annual Minimum Demand Charge to those Customers whose actual billed demand revenues in Periods 1, 2, and 3 are less than the Minimum Demand Charges given above. The Authority will not apply this charge to new Customers taking service for part of a calendar year or to Customer-generators eligible for net billing.

   b) The Authority will use the highest recorded demands for Periods 1, 2, and 3 and multiply those demands by the Minimum Demand Charges to determine the minimum amount the Customer is responsible for.

   c) If the sum of the Minimum Demand Charges in the three (3) periods is greater than the sum of the actual billed demand revenues for the year under review, the difference will be charged to the Customer's account, and

   d) When this difference is more than ten percent (10%) of the total annual demand revenues, the Customer may choose to pay it in no more than twelve (12) equal monthly installments.

8. How the Net Reactive Demand is Determined
   a) The Net Reactive Demand is the 15-minute integrated kilovolt-amperes of lagging reactive demand minus 48% of the 15-minute integrated kilowatt demand recorded during the same 15-minute period.

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

   c) For billing purposes, the maximum Net Reactive Demand will be the greater of:

      (1) The maximum Net Reactive Demand recorded for the month from 7:00 a.m. through 11:00 p.m., or
      (2) 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.

VIII.SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP
Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Code: 294)

9. 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.

10. 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 the Tariff.

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

11. Special Provisions

a) 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):

G. SERVICE CLASSIFICATION NO. 2L - VMRP
Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Code: 294)
Special Provisions (continued):

c) Transfer to Other Service Classifications

(1) At their option, Customers taking service at secondary voltages may transfer to either Service Classification No. 2, General Service - Small or at their option Service Classification No. 2-VMRP, Voluntary Small General Service with Multiple Rating Periods, when:

(a) The Customer requests a transfer, and

(b) The metered demand of the Customer has been less than 5.6 kW for twelve (12) consecutive billing periods, and

(c) The energy consumption has been less than 1,600 kWh per month for twelve (12) consecutive billing periods, and

(d) The transfer will take place within ninety (90) days after the Authority certifies that the Customer qualifies for the services.

(2) Customers will be transferred to Service Classification No. 2-MRP, Large General and Industrial Service with Multiple Rate Periods, when the monthly recorded demand:

(a) Was greater than 145 kW in any two (2) consecutive months, in which case the transfer will take place within ninety (90) days after the summer billing period ends.

(b) The S.C. No. 2-MRP rate will go into effect on the day the meter is installed.

VIII.SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP
Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Code: 294)
Special Provisions (continued):

d) Business Development Programs

(1) Empire Zone Program

(a) The Empire Zone Program expired on June 30, 2010. Customers on this program, prior to July 1, 2010, will continue to receive rate discounts until their previously agreed upon term has expired.

(b) With the exception of the Calverton portion of the Suffolk County Empire Zone, customers who qualify receive a 50% discount on their Base Rate Energy Charge per kWh and Period 3 Demand Charges, but only for the additional energy and demand.

(c) Qualifying customers within the Calverton portion of the Suffolk County Empire Zone receive a 6% discount on their Base Rate Energy Charge per kWh and Period 3 Demand Charges, but only for the additional energy and demand.

(2) Excelsior Jobs Program

(a) The Excelsior Jobs Program is intended to encourage business to expand or relocate to the Authority's Service Area.

(b) The Authority's discount is available to certified participants who increase their load by at least 25%, to a minimum of 7 kW within one (1) year of Excelsior Jobs Program certification.

(c) Customers who qualify will pay $0.0467 for their Base Rate Energy Charge per kWh for the additional energy associated with the incremental load subsequent to the ESD Approval Date. There will be no demand charges associated with the incremental load subsequent to the ESD Approval Date.

(3) Manufacturing Competitiveness and Business Incubation Programs

(a) Customers who qualify after June 29, 2012 receive a 100% discount on their Base Rate Energy Charges per kWh for Periods 1, 2, and 3 in the first year of their participation in the program. Participants that qualified before June 29, 2012 will continue to receive a 50% discount on their Base Rate Energy Charge, subject to pro-ration as noted in the next paragraph.

(b) The discounts will decrease by one-fifth (1/5) each year after the first year until the Customers are billed at the rate's regular levels at the end of the fifth (5^{th}) year.

VIII.SERVICE CLASSIFICATIONS (continued):

G. SERVICE CLASSIFICATION NO. 2L - VMRP
Voluntary Large Demand Metered Service With Multiple Rate Periods (continued):
(Rate Code: 294)
Special Provisions (continued):

e) Service for Religious Purposes, Supervised 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 Section 76 of the Public Service Law, may apply for a suitable 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.

VIII.SERVICE CLASSIFICATIONS (continued):

H. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

H. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

H. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

H. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

H. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

H. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

H. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

H. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

I. SERVICE CLASSIFICATION NO. 2 - MRP
Large General and Industrial Service With Multiple Rate Periods:
(Rate Codes: 284, 285, M284, M285)

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 145 kW in any two (2) consecutive months, or

      (2) The Authority believes an Applicant's demand will be more than 145 kW in any month.

   b) Customers may choose between Rate Codes 285 and 284 below when they qualify for the service.

   c) Customers' options to transfer between Rate 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 No. 12 – Standby Service, 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 2,400/4,160 or 7,620/13,200 volts, depending on the size and characteristics of the load and the circuit supplying the service.

   d) Radial Sub/Transmission Service Level at approximately 23,000 volts or higher, three phase, 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)
Character of Service (continued):

e) The Authority may consider loads with a minimum estimated demand of 10,000 kW for service at 23,000 volts or higher.

f) The Primary Rate will also apply to Customers served at 2,400 through 13,200 volts.

g) The Sub/Transmission Service Level Rate will apply to Customers served at 23,000 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.

Rate Code 285	Secondary	Primary	Sub/Transmission
Service Charge per day	$ 3.83	$ 5.20	$ 5.20
		Rate Periods**	
	1	2	3
	Off-Peak all year midnight to 7 a.m.	On-Peak * June-Sept. except Sundays 10 a.m. to 10 p.m.	Intermediate all other hours
Demand Charge per kW			
Secondary	none	$ 30.00	$ 13.03
Primary	none	$ 24.82	$ 10.95
Transmission	none	$ 20.51	$ 8.98
Energy Charge per kWh			
Secondary	$ 0.0071	$ 0.0489	$ 0.0311
Primary	$ 0.0041	$ 0.0425	$ 0.0271
Transmission	$ 0.0041	$ 0.0398	$ 0.0252
Minimum Demand Charge per Meter per kW			
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)
Rates and Charges per Meter per Month (continued):

Rate Code 284	Secondary	Primary	Transmission
Service Charge per day	$ 3.83	$ 5.20	$ 5.20
		Rate Periods**	
	1	2	3
	Off-Peak all year 11 p.m. to 7 a.m.	On-Peak * June - Sept weekdays 12 noon to 8 p.m.	Intermediate all other hours
Demand Charge per kW			
Secondary	none	$ 59.02	$ 11.68
Primary	none	$ 49.44	$ 8.94
Transmission	none	$ 36.96	$ 6.67
Energy Charge per kWh			
Secondary	$ 0.0001	$ 0.0417	$ 0.0268
Primary	$ 0.0001	$ 0.0298	$ 0.0049
Transmission	$ 0.0001	$ 0.0279	$ 0.0047
Minimum Demand Charge per Meter per kW			
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 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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

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)

4. Reactive Demand Charges - Rate Codes 284, 285, M284, and M285

   a) Transmission and primary service Customers who use electricity at a Power Factor of less than 90% and choose to pay a monthly Reactive Demand Charge of $0.27 per KVAR, shall pay for the additional metering equipment either when it is installed or through a monthly charge.

   b) For the first twelve (12) months of billing for Reactive Demand Charges, the KVAR charges will not exceed 1% of the Customer's total bill.

5. How Demand is Determined

   The Authority will furnish and maintain a demand meter of standard type to determine the demand. The demand is the maximum 15-minute demand during the month in each Rate Period, taken to the nearest one-tenth (1/10) kilowatt.

6. How the Minimum Demand Charges are Determined - All Rate Codes

   a) The Authority will charge an annual Minimum Demand Charge to those Customers whose actual billed demand revenues in Periods 1, 2, and 3 are less than the Minimum Demand Charges given below. The Authority will not apply this charge to new Customers taking service for part of a calendar year or Customer-generators eligible for net billing.

   b) The Authority will use the highest recorded demands for Periods 1, 2, and 3 and multiply those demands by the Minimum Demand Charges to determine the minimum amount the Customer is responsible for.

   c) If the sum of the Minimum Demand Charges in the three (3) Periods is greater than the sum of the actual billed demand revenues for the year under review, the difference will be charged to the Customer's account, and

   d) When this difference is more than ten percent (10%) of the total annual demand revenues, the Customer may choose to pay it in no more than twelve (12) equal monthly installments.

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)

7. How the Net Reactive Demand is Determined

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

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

   c) For billing purposes, the maximum Net Reactive Demand will be the greater of:

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

      (2) 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.

8. 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.

9. Term of Service

   a) The Authority will provide service to the Customer for at least one (1) year and 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 the Tariff, after giving the Customer thirty (30) days written notice.

   d) The Authority may require the Customer to take service at rates effective for a longer term because of the investment required or other unusual conditions related to 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)

10. Special Provisions

a) 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) Requirements for Service at 69,000 Volts or Higher

The Applicant shall provide and maintain voltage regulating equipment and circuit breakers complete with accessory equipment, using the procedures and schedules specified by the Authority.

c) Changes in Eligibility of Existing Accounts

If there is an Applicant for an existing account, but the Authority believes the Applicant's business activity will change the characteristics of the account's loads, the account will be considered a new account for Service Classification purposes.

d) Business Development Programs

(1) Empire Zone Program

(a) The Empire Zone Program expired on June 30, 2010. Customers on this program, prior to July 1, 2010, will continue to receive rate discounts until their previously agreed upon term has expired.

(b) With the exception of the Calverton portion of the Suffolk County Empire Zone, Primary and Secondary Customers who qualify receive a 50% discount on their Base Rate Energy Charge per kWh and Period 3 Demand Charges, but only for the additional energy and demand.

(c) With the exception of the Calverton portion of the Suffolk County Empire Zone, Transmission Customers who qualify receive a 55% discount on their Base Rate Energy Charge per kWh and Period 3 Demand Charges, but only for the additional energy and demand.

(d) Qualifying Primary and Secondary customers within the Calverton portion of the Suffolk County Empire Zone receives a 6% discount on their Base Rate Energy Charge per kWh and Period 3 Demand Charges, but only for the additional energy and demand.

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)
Special Provisions (continued):

(e) Qualifying Transmission customers with the Calverton portion of the Suffolk County Empire Zone receive a 7% discount on their Energy Charges per kWh and Period 3 Demand Charges, but only for the additional energy and demand.

(2) Excelsior Jobs Program

(a) The Excelsior Jobs Program is intended to encourage business to expand or relocate the Authority's Service Area.

(b) The Authority's discount is available to certified participants who increase their load by at least 25%, to a minimum of 145 kW within one (1) year of Excelsior Program certification.

(c) Customers who qualify will pay $0.0158 for their Base Rate Energy Charge per kWh for the additional energy associated with the incremental load subsequent to the ESD Approval Date. There will be no demand charges associated with the incremental load subsequent to the ESD Approval Date.

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)
Special Provisions (continued):

(3) Business Attraction/Expansion, Manufacturing Competitiveness, and Business Incubation Programs

(a) Customers who qualify after June 29, 2012 receive a 100% discount on their Base Rate Energy Charge per kWh for Periods 1, 2, and 3, in the first year of their participation in the program. Participants that qualified before June 29, 2012 will continue to receive a 50% discount on their Base Rate Energy Charge, subject to pro-ration as noted in the paragraph below.

(b) The discounts will decrease by one-fifth (1/5) each year after the first year until the Customers are billed at the rate's regular levels at the end of the fifth (5^{th}) year.

(c) Customers who qualify may apply for modified rate periods. The modified peak Period 2 hours are June through September, Monday through Friday, from 3 p.m. to 8 p.m., for Rate Code M284 and June through– September, Monday through Friday, from 3 p.m. to 10 p.m., for Rate Code M285. The hours June through September, Monday through Friday from 12 noon to 3 p.m., are included in the Intermediate period for Rate Code M284. The hours June through September, Monday through Friday, from 10 a.m. to 3 p.m. and Saturday from 10 a.m. to 10 p.m., are included in the Intermediate period for Rate Code M285.

e) Choosing Rate Code 284 or Rate Code 285

New Customers shall choose either Rate Code 284 or Rate Code 285 at the time of qualification of service.

(1) Rate Code 284 Customers may choose to receive service under Rate Code 285.

(2) Rate Code 285 Customers will have one opportunity to transfer to Rate Code 284.

(3) Customers must request transfers between Rate Code 284 and Rate Code 285 in writing, thirty (30) days before their Anniversary Date.

(4) Customers eligible for modified rating periods under Rate Code M284 and Rate Code M285 must follow the same rules as for Rate Code 284 and Rate Code 285 respectively.

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)
Special Provisions (continued):

f) Transfer to Service Classification No. 2-L or 2L-VMRP

At their option, Customers taking service at Service Classification No. 2-MRP can be transferred to Service Classification No. 2-L or at their option 2L-VMRP when:

(1) The Customer requests a transfer, and

(2) The metered demand of the Customer has been less than 116 kW for twelve (12) consecutive billing periods, and

(3) The transfer will take place within ninety (90) days after the Authority certifies that the Customer qualifies for the services,

g) Service for Religious Purposes, Supervised 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 Section 76 of the Public Service Law, may apply for a suitable 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.

VIII.SERVICE CLASSIFICATIONS (continued):

J. SERVICE CLASSIFICATION NO. 2 – EVC 281
Commercial Electric Vehicle Charging Rates for 281 Customers:
(Rate Codes: E1296, E2296, E3296, E4296)

1. Definition:
The Sum of the Electric Vehicle ("EV") Charging Capacity in kW: will be the lesser of the sum of the nameplate charging capacity of each charger and the maximum simultaneous charging capacity at the Customer's site (the "Sum"). The Sum of the EV Charging Capacity will be established by the Customer's load letter and the Authority's ability to deliver load to the EV chargers.

2. Who Is Eligible
Effective January 1, 2027, Customers who are eligible for Rate Codes 281. Customers are subject to all Rate 281 provisions unless modified in Service Classification No. 2-EVC 281 and, when:

a) A Customer has a Charging Ratio of fifty percent (50%) or greater.

b) The Authority will calculate the Charging Ratio to determine eligibility as follows:
(1) For Customers with separately metered EV charging load (Customers with no more than 10 kW of non-EV charging ancillary load), the Charging Ratio will be equal to one hundred percent (100%).
(2) For Customers with EV charging load commingled with other on-site loads, the Charging Ratio will be calculated as the ratio of the (i) the sum of the EV Charging Capacity in kW to (ii) the sum of the maximum kW demands of all loads that could occur simultaneously on the Customer's account including the Customer's EV Charging Capacity in kW.

c) The Charging Ratio shall be determined during the application process once the Authority completes the Customer's installation design. The Charging Ratio shall remain until such time that the Customer provides a new load letter revising the Customer's electric load; or the Authority re-evaluates the Charging Ratio based on actual equipment performance at the Customer's site.

d) For qualifying Customers with a Charging Ratio of fifty percent (50%) or greater, the Authority will calculate, twice (2x) per year, an annual Load Factor ("LF") that will determine the EV Charging Rate tier that will apply to the Customer.
(1) The annual LF is determined based on the Customer's load data from the prior January through December. This LF will be used to determine the tier that will be applicable to the Customer's bills beginning with the bill having a "from" date on or after the following February 1.
(2) The annual LF is determined based on the Customer's load data from the prior July through June. This LF will be used to determine the tier that will be applicable to the Customer's bills beginning with the bill having a "from" date on or after the following August 1.
(3) The annual LF will be calculated as follows:
(a) For Customers with EV Charging Load and Other On-Site Load
Annual LF shall be determined by dividing the kWh usage during a twelve (12) month period by the product of the maximum demand during that twelve (12) month period and the number of hours in the twelve (12) month period.
(b) For Customers with Separately Metered EV Charging Load (Customers with no more than 10 kW of non-EV charging ancillary load)
Annual LF shall be determined by dividing the kWh usage during a twelve (12) month period by the product of the of the sum of the EV Charging Capacity in kW and the number of hours in the twelve (12) month period.

VIII.SERVICE CLASSIFICATIONS (continued):

J. SERVICE CLASSIFICATION NO. 2 – EVC 281
Commercial Electric Vehicle Charging Rates for 281 Customers:
(Rate Codes: E1296, E2296, E3296, E4296)
Who is Eligible (continued):

e) For new qualifying Customers that do not have at least six (6) months of existing load data as of December or June billing periods of that year, will be placed on Tier 1 (Rate Code E1296) until such time that at least one (1) measurement period (1 measurement period = 6 months) ("Measurement Period") of load data is available for use in calculating the LF for determination of the appropriate tier. For these Customers, the LF calculations described above shall be performed based on one Measurement Period (January to June or July to December) until such time that the annual LF can be calculated based on twelve (12) months of load data.

f) Service under this section will commence with the Customer's first bill having a "from" date on or after the Customer's enrollment under the Tariff. A Customer who elects to no longer participate in the Tariff will be ineligible for future participation under the Tariff unless the Customer can demonstrate to the Authority that there has been a change to the number or type of EV chargers associated with the account at which time the Customer may opt back on to the Tariff and will be placed in the applicable tier as described herein provided the Customer has a Charging Ratio of at least fifty percent (50%).

g) To the extent that the annual LF of a Customer is twenty-five percent (25%) or greater for two (2) consecutive Measurement Periods, such Customer will no longer be eligible for the Tariff. Such Customer may have the ability to opt back onto the Tariff if it can be demonstrated to the Authority that there has been a change to the number or type of EV chargers associated with the account and the Customer has a Charging Ratio of at least fifty percent (50%).

h) Customers that are made ineligible by the annual LF greater than twenty-five percent (25%) may request to be re-evaluated. To the extent that the annual LF of the currently ineligible Customer is less than twenty-five percent (25%) over two (2) Measurement Periods, the Customer will be made eligible for EV Charging Rates.

i) An AMI meter capable of interval billing must be installed prior to enrollment in the EV Charging Rate.

j) The Authority will commence billing on the Customer's next bill cycle for the Authority service if practical, but no later than the second billing cycle after receipt of the Customer application.

VIII.SERVICE CLASSIFICATIONS (continued):

J. SERVICE CLASSIFICATION NO. 2 – EVC 281
Commercial Electric Vehicle Charging Rates for 281 Customers:
(Rate Codes: E1296, E2296, E3296, E4296)

3. Who is Not Eligible

Customers who are not eligible for this Service Classification include:

a) Those Customers not eligible for Rate Code 281.

b) Those participating in the Authority's Direct Current Fast Charging (DCFC) Incentive Program.

c) Customers with an Annual LF of twenty five percent (25%) or greater.

d) Customers with an EV Charging Ratio of below fifty percent (50%).

e) Customers already receiving delivery discounts from other programs (i.e., Business Attraction/Expansion Program).

f) Net metering Customers including Community Distributed Generation (CDG) and Remote Net Metering.

g) Seasonal, Short-term, or Temporary Customers.

4. 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.

VIII.SERVICE CLASSIFICATIONS (continued):

J. SERVICE CLASSIFICATION NO. 2 – EVC 281
Commercial Electric Vehicle Charging Rates for 281 Customers:
(Rate Codes: E1296, E2296, E3296, E4296)

5. Periods

Time Period	Summer (June-September)	Winter (October-May)
Peak	3 PM – 7 PM, M-F (excluding Federal Holidays)	3 PM – 7 PM, M-F (excluding Federal Holidays)
Off-Peak	6 AM – 3 PM and 7 PM – 11 PM, M-F 6 AM – 11 PM, S-S	6 AM – 3 PM and 7 PM – 11 PM, M-F 6 AM – 11 PM, S-S
Super Off-Peak	11 PM – 6 AM, Every day	11 PM – 6 AM, Every day

6. Rates and Charges per Meter per Month

a) Schedule of Rates

The rates for the service code are set forth below.

Rate Code E1296 (Tier 1): Customers with an Annual LF less than or equal to ten percent (LF ≤ 10%)

Service Charge per day	$x.xx	
	Summer	Winter
Demand Charges, per kW of maximum demand		
On Peak	$x.xxxx	$x.xxxx
Off-Peak	$x.xxxx	$x.xxxx
Energy Charge, per kWh		
On Peak	$x.xxxx	$x.xxxx
Off-Peak	$x.xxxx	$x.xxxx
Super Off-Peak	$x.xxxx	$x.xxxx

VIII.SERVICE CLASSIFICATIONS (continued):

J. SERVICE CLASSIFICATION NO. 2 – EVC 281
Commercial Electric Vehicle Charging Rates for 281 Customers:
(Rate Codes: E1296, E2296, E3296, E4296)
Rates and Charges per Meter per Month (continued):

Rate Code E2296 (Tier 2): Customers with an Annual LF greater than ten percent and less than or equal to fifteen percent (10% < LF ≤ 15%)

Service Charge per day	$x.xx

	Summer	Winter
Demand Charges, per kW of maximum demand		
On Peak	$x.xxxx	$x.xxxx
Off-Peak	$x.xxxx	$x.xxxx
Energy Charge, per kWh		
On Peak	$x.xxxx	$x.xxxx
Off-Peak	$x.xxxx	$x.xxxx
Super Off-Peak	$x.xxxx	$x.xxxx

Rate Code E3296 (Tier 3): Customers with an Annual LF greater than fifteen percent and less than or equal to twenty percent (15% < LF ≤ 20%)

Service Charge per day	$x.xx

	Summer	Winter
Demand Charges, per kW of maximum demand		
On Peak	$x.xxxx	$x.xxxx
Off-Peak	$x.xxxx	$x.xxxx
Energy Charge, per kWh		
On Peak	$x.xxxx	$x.xxxx
Off-Peak	$x.xxxx	$x.xxxx
Super Off-Peak	$x.xxxx	$x.xxxx

VIII.SERVICE CLASSIFICATIONS (continued):

J. SERVICE CLASSIFICATION NO. 2 – EVC 281
Commercial Electric Vehicle Charging Rates for 281 Customers:
(Rate Codes: E1296, E2296, E3296, E4296)
Rates and Charges per Meter per Month (continued):

Rate Code E4296 (Tier 4): Customers with an Annual Load Factor greater than twenty percent and less than twenty-five percent (20% < LF < 25%)

	Summer	Winter
Demand Charges, per kW of maximum demand		
On Peak	$x.xxxx	$x.xxxx
Off-Peak	$x.xxxx	$x.xxxx
Energy Charge, per kWh		
On Peak	$x.xxxx	$x.xxxx
Off-Peak	$x.xxxx	$x.xxxx
Super Off-Peak	$x.xxxx	$x.xxxx

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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

7. How Demand is Determined

The Authority will furnish and maintain a demand meter of standard type to determine the demand. The demand is the maximum 15-minute demand during the month in each Rate Period, taken to the nearest one-tenth (1/10) kilowatt.

VIII.SERVICE CLASSIFICATIONS (continued):

J. SERVICE CLASSIFICATION NO. 2 – EVC 281
Commercial Electric Vehicle Charging Rates for 281 Customers:
(Rate Codes: E1296, E2296, E3296, E4296)

8. 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.

9. Terms of Service

e) The Authority will provide service to the Customer for at least one (1) year and until service is terminated either by the Customer or the Authority.

f) The Customer shall give the Authority thirty (30) days written notice when requesting termination of service.

g) The Authority may terminate service to the Customer in accordance with the provisions of the Tariff, after giving the Customer thirty (30) days written notice.

h) The Authority may require the Customer to take service at rates effective for a longer term because of the investment required or other unusual conditions related to the service.

10. Special Provisions

h) Changes in Eligibility of Existing Accounts

If there is an Applicant for an existing account, but the Authority believes the Applicant's business activity will change the characteristics of the account's loads, the account will be considered a new account for Service Classification purposes.

c) Customer charging station is subject to site inspection as determined by the Authority.

d) The Authority retains the right to request supporting documentation including separately metered EV Charging loads to assess Charging Ratios.

VIII.SERVICE CLASSIFICATIONS (continued):

J.1 SERVICE CLASSIFICATION NO. 2 – EVC 285
Commercial Electric Vehicle Charging Rates for 285 Customers:
(Rate Codes: E1295, E2295, E3295, E4295)

1. Definition:
The Sum of the Electric Vehicle (EV) Charging Capacity in kW: will be the lesser of the sum of the nameplate charging capacity of each charger and the maximum simultaneous charging capacity at the Customer's site (the "Sum"). The Sum of the EV Charging Capacity will be established by the Customer's load letter and the Authority's ability to deliver load to the EV chargers.

2. Who Is Eligible
Customers who are eligible for Rate Code 285. Customers are subject to all Rate 285 provisions unless modified in Service Classification No.2-EVC 285 and, when:

a) A Customer has a Charging Ratio of fifty percent (50%) or greater.

b) The Authority will calculate the Charging Ratio to determine eligibility as follows:
(1) For Customers with separately metered EV charging load (Customers with no more than 10 kW of non-EV charging ancillary load), the Charging Ratio will be equal to one hundred percent (100%).
(2) For Customers with EV charging load commingled with other on-site loads, the Charging Ratio will be calculated as the ratio of the (i) the sum of the EV Charging Capacity in kW to (ii) the sum of the maximum kW demands of all loads that could occur simultaneously on the Customer's account including the Customer's EV Charging Capacity in kW.

c) The Charging Ratio shall be determined during the application process once the Authority completes the Customer's installation design. The Charging Ratio shall remain until such time that the Customer provides a new load letter revising the Customer's electric load; or the Authority re-evaluates the Charging Ratio based on actual equipment performance at the Customer's site.

d) For qualifying Customers with a Charging Ratio of fifty percent (50%) or greater, the Authority will calculate, twice (2x) per year, an annual Load Factor ("LF") that will determine the EV Charging Rate tier that will apply to the Customer.
(1) The Annual LF is determined based on the Customer's load data from the prior January through December. This LF will be used to determine the tier that will be applicable to the Customer's bills beginning with the bill having a "from" date on or after the following February 1.
(2) The Annual LF is determined based on the Customer's load data from the prior July through June. This LF will be used to determine the tier that will be applicable to the Customer's bills beginning with the bill having a "from" date on or after the following August 1.
(3) The Annual LF will be calculated as follows:
For Customers with EV Charging Load and Other On-Site Load
Annual LF shall be determined by dividing the kWh usage during a twelve (12) month period by the product of the maximum demand during that twelve (12) month period and the number of hours in the twelve (12) month period.
For Customers with Separately Metered EV Charging Load (Customers with no more than 10 kW of non-EV charging ancillary load)
Annual LF shall be determined by dividing the kWh usage during a twelve (12) month period by the product of the of the sum of the EV Charging Capacity in kW and the number of hours in the twelve (12) month period.

VIII.SERVICE CLASSIFICATIONS (continued):

J.1 SERVICE CLASSIFICATION NO. 2 – EVC 285
Commercial Electric Vehicle Charging Rates for 285 Customers:
(Rate Codes: E1295, E2295, E3295, E4295)
Who is Eligible (continued):

e) For new qualifying Customers that do not have at least six (6) months of existing load data as of December or June billing periods of that year, will be placed on Tier 1 (Rate Code E1295) until such time that at one (1) measurement period equal to six (6) months ("Measurement Period") of load data is available for use in calculating the LF for determination of the appropriate tier. For these Customers, the LF calculations described above shall be performed based on one (1) Measurement Period (January to June or July to December) until such time that the annual LF can be calculated based on twelve (12) months of load data.

f) Service under this section will commence with the Customer's first bill having a "from" date on or after the Customer's enrollment under the Tariff. A Customer who elects to no longer participate in the Tariff will be ineligible for future participation under the Tariff unless the Customer can demonstrate to the Authority that there has been a change to the number or type of EV chargers associated with the account at which time the Customer may opt back on to the Tariff and will be placed in the applicable tier as described herein provided the Customer has a Charging Ratio of at least fifty percent (50%).

g) To the extent that the annual LF of a Customer is twenty-five percent (25%) or greater for two (2) consecutive Measurement Periods, such Customer will no longer be eligible for the Tariff. Such Customer may have the ability to opt back onto the Tariff if it can be demonstrated to the Authority that there has been a change to the number or type of EV chargers associated with the account and the Customer has a Charging Ratio of at least fifty percent (50%).

h) Customers that are made ineligible by the annual LF greater than twenty-five percent (25%) may request to be re-evaluated. To the extent that the annual LF of the currently ineligible Customer is less than twenty-five percent (25%) over two (2) Measurement Periods, the Customer will be made eligible for EV Charging Rates.

i) An AMI meter capable of interval billing must be installed prior to enrollment in the EV Charging Rate.

j) The Authority will commence billing on the Customer's next bill cycle for the Authority service if practical, but no later than the second billing cycle after receipt of the Customer application.

VIII.SERVICE CLASSIFICATIONS (continued):

J.1 SERVICE CLASSIFICATION NO. 2 – EVC 285
Commercial Electric Vehicle Charging Rates for 285 Customers:
(Rate Codes: E1295, E2295, E3295, E4295)

3. Who is Not Eligible

Customers who are not eligible for this Service Classification include:

a) Those Customers not eligible for Rate Code 285.

b) Those participating in the Authority's DCFC Incentive Program.

c) Customers with an Annual LF of 25% or greater.

d) Customers with an EV Charging Ratio of below 50%.

e) Customers already receiving delivery discounts from other programs (i.e., Business Attraction/Expansion Program).

f) Net metering Customers including Community Distributed Generation (CDG) and Remote Net Metering.

g) Seasonal, Short-term, or Temporary Customers.

4. 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 2,400/4,160 or7,620/13,200 volts, depending on the size and characteristics of the load and the circuit supplying the service.

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 Sub/Transmission Rate will apply to Customers served at 23,000 volts or higher.

VIII.SERVICE CLASSIFICATIONS (continued):

J.1 SERVICE CLASSIFICATION NO. 2 – EVC 285
Commercial Electric Vehicle Charging Rates for 285 Customers:
(Rate Codes: E1295, E2295, E3295, E4295)

5. Periods

Time Period	Summer (June-September)	Winter (October-May)
Peak	3 PM – 7 PM, M-F (excluding Federal Holidays)	N/A
Off-Peak	6 AM – 3 PM and 7 PM – 11 PM, M-F 6 AM – 11 PM, S-S	6 AM – 11 PM, Every day
Super Off-Peak	11 PM – 6 AM, Every day	11 PM – 6 AM, Every day

6. Rates and Charges per Meter per Month

b) Schedule of Rates

The rates for the service code are set forth below.

Rate Code E1295 (Tier 1): Customers with an Annual LF less than or equal to ten percent (LF ≤ 10%)

	Secondary	Primary	Sub/Transmission
Service Charge per day	$3.83	$5.20	$5.20
Demand Charges, per kW of maximum demand			
On Peak	$0.00	$0.00	$0.00
Off-Peak	$0.00	$0.00	$0.00
Energy Charge, per kWh			
On Peak	$0.1524	$0.1210	$0.1068
Off-Peak	$0.0763	$0.0611	$0.0530
Super Off-Peak	$0.0457	$0.0367	$0.0318

VIII.SERVICE CLASSIFICATIONS (continued):

J.1 SERVICE CLASSIFICATION NO. 2 – EVC 285
Commercial Electric Vehicle Charging Rates for 285 Customers:
(Rate Codes: E1295, E2295, E3295, E4295)
Rates and Charges per Meter per Month (continued):

Rate Code E2295 (Tier 2): Customers with an Annual LF greater than ten percent

	Secondary	Primary	Sub/Transmission
Service Charge per day	$3.83	$5.20	$5.20
Demand Charges, per kW of maximum demand			
On Peak	$4.47	$3.69	$3.03
Off-Peak	$4.09	$3.37	$2.77
Energy Charge, per kWh			
On Peak	$0.1298	$0.1035	$0.0907
Off-Peak	$0.0646	$0.0521	$0.0457
Super Off-Peak	$0.0388	$0.0313	$0.0274

Rate Code E3295 (Tier 3): Customers with an Annual LF greater than fifteen percent and less than or equal to twenty percent (15% < LF ≤ 20%)

	Secondary	Primary	Sub/Transmission
Service Charge per day	$3.83	$5.20	$5.20
Demand Charges, per kW of maximum demand			
On Peak	$8.94	$7.37	$6.07
Off-Peak	$8.18	$6.74	$5.55
Energy Charge, per kWh			
On Peak	$0.1060	$0.0859	$0.0760
Off-Peak	$0.0530	$0.0431	$0.0383
Super Off-Peak	$0.0318	$0.0258	$0.0230

VIII.SERVICE CLASSIFICATIONS (continued):

J.1 SERVICE CLASSIFICATION NO. 2 – EVC 285
Commercial Electric Vehicle Charging Rates for 285 Customers:
(Rate Codes: E1295, E2295, E3295, E4295)
Rates and Charges per Meter per Month (continued):

Rate Code E4295 (Tier 4): Customers with an Annual Load Factor greater than twenty percent and less than twenty-five percent (20% < LF < 25%)

	Secondary	Primary	Sub/Transmission
Service Charge per day	$3.83	$5.20	$5.20
Demand Charges, per kW of maximum demand			
On Peak	$13.41	$11.06	$9.10
Off-Peak	$12.28	$10.11	$8.32
Energy Charge, per kWh			
On Peak	$0.0836	$0.0677	$0.0619
Off-Peak	$0.0414	$0.0342	$0.0310
Super Off-Peak	$0.0248	$0.0205	$0.0185

c) 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 Merchant Function Charge, the New York State Assessment Factor, Revenue Decoupling Mechanism, the Securitization Offset Charge, and the Delivery Service Adjustment.

7. How Demand is Determined

The Authority will furnish and maintain a demand meter of standard type to determine the demand. The demand is the maximum 15-minute demand during the month in each Rate Period, taken to the nearest one-tenth (1/10) kilowatt.

VIII.SERVICE CLASSIFICATIONS (continued):

J.1 SERVICE CLASSIFICATION NO. 2 – EVC 285
Commercial Electric Vehicle Charging Rates for 285 Customers:
(Rate Codes: E1295, E2295, E3295, E4295)

8. 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.

9. Terms of Service

i) The Authority will provide service to the Customer for at least one (1) year and until service is terminated either by the Customer or the Authority.

j) The Customer shall give the Authority thirty (30) days written notice when requesting termination of service.

k) The Authority may terminate service to the Customer in accordance with the provisions of the Tariff, after giving the Customer thirty (30) days written notice.

l) The Authority may require the Customer to take service at rates effective for a longer term because of the investment required or other unusual conditions related to the service.

10. Special Provisions

i) Requirements for Service at 69,000 Volts or Higher

The Applicant shall provide and maintain voltage regulating equipment and circuit breakers complete with accessory equipment, using the procedures and schedules specified by the Authority.

j) Changes in Eligibility of Existing Accounts

If there is an Applicant for an existing account, but the Authority believes the Applicant's business activity will change the characteristics of the account's loads, the account will be considered a new account for Service Classification purposes.

e) Customer charging station is subject to site inspection as determined by the Authority.

f) The Authority retains the right to request supporting documentation including separately metered EV Charging loads to assess Charging Ratios.

VIII.SERVICE CLASSIFICATIONS (continued):

K. SERVICE CLASSIFICATION NO. 5
Traffic Signal Lighting:
(Rate Code: 980)

1. Who Is Eligible

   Customers who will use the service for lighting traffic signals and caution signals, and operating control equipment for all such signals on or along the highways, where the Authority has facilities suitable for providing the service.

2. Character of Service

   a) Continuous, 60 hertz, alternating current.

   b) Provided at approximately 120/208 or 120/240 volts, single or three-phase, depending on the characteristics of the load and the circuit supplying the service.

3. Definitions of Traffic Signal Face for Billing Purposes:

   a) For Incandescent traffic signals:

      (1) An 8-inch lens illuminated at any one-time, including flashing lights, but excluding lenses which are illuminated for five (5) seconds or less, or

      (2) Up to and including four (4) 8-inch turn arrows.

      (3) For 12-inch lenses, the number of faces defined above is doubled.

      (4) Other Incandescent devices such as lamps, walk lights, strobes, warning lights, etc., up to 69 watts are considered a face. To find the number of additional faces, divide the remaining watts by 69. Any resulting fractions are rounded to the nearest whole number of faces.

   b) For Light Emitting Diode (LED) traffic signals:

      (1) An 8-inch lens illuminated at any one-time, including flashing lights, but excluding lenses which are illuminated for five (5) seconds or less, or

      (2) Up to and including four (4) 8-inch turn arrows.

      (3) For 12-inch lenses, the number of faces defined above is one and one-half (1 ½).

      (4) Other LED devices such as lamps, walk lights, strobes, warning lights, etc., using up to 8 watts are considered a face. To find the additional number of faces, divide the remaining watts by 8. Any resulting fractions are rounded to the nearest whole number of faces.

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

5. Rates and Charges

   a) Rates per Signal Face of Light per Month

      $ 10.65 per control mechanism per month.
      $ 3.15 per incandescent signal face per month.
      $ 4.34 per LED signal face per month

   b) Adjustment 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 Merchant Function Charge, the New York State Assessment Factor, the Securitization Offset Charge, and the Delivery Service Adjustment.

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 the Tariff, after giving the Customer thirty (30) days written notice.

VIII.SERVICE CLASSIFICATIONS (continued):

K. SERVICE CLASSIFICATION NO. 5
Traffic Signal Lighting (continued):
(Rate Code: 980)

8. Special Provisions

a) Installations on or Attached to Authority Property

When necessary for an Applicant or Customer to install traffic signal equipment on, or make attachments to, the Authority's property in connection with service to be provided under this Service Classification, service will be provided only after the Applicant or Customer has entered into a written agreement with the Authority with respect to the use of the Authority's property for that purpose.

b) Energy Delivery Points

The Authority will supply electricity for lighting facilities at the following Energy Delivery Points:

(1) For overhead-supplied lighting facilities, at the overhead secondary distribution lines on the utility pole, and

(2) For underground-supplied lighting facilities:

(a) At the Authority's overhead secondary distribution lines if the Authority's system is overhead, or

(b) At a pull box, provided and installed by the Customer, not more than one (1) foot from a designated Authority-owned manhole or splicing chamber, if the Authority's system is underground.

c) Changes in Delivery Point of Service

If a change in the location of installed traffic control lights or equipment involves a change in the delivery point of service by the Authority:

(1) The Customer shall pay the Authority the cost for making such changes to the new delivery point of service, except

(2) For those changes required for highway improvements by Municipal, County, State, or Federal governments.

VIII.SERVICE CLASSIFICATIONS (continued):

K. SERVICE CLASSIFICATION NO. 5
Traffic Signal Lighting (continued):
(Rate Code: 980)
Special Provisions (continued):

d) Notification Obligations of the Customer

(1) The Customer shall notify the Authority of any change to existing signals, including the addition of new signals, the deletion of signals or any other change in devices.

(2) The notification shall be in writing, within thirty (30) days of such changes, and shall contain manufacturing specifications, including energy usage and operating characteristics, and

(3) The S.C. No. 5 rate will go into effect when the Authority is notified.

(4) Customers who do not report such changes to the Authority may be subject to Backbilling.

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	$ 19.63
Area Light*	21,000	455	$ 27.87
Flood Light*	21,000	455	$ 30.41
Flood Light*	52,000	1,100	$ 63.81

b) Rates per Incandescent Facility per Month

Type Luminaire	Approximate Lumens	Total Watts	Monthly Rates
Flood Light*	100 c.p.	92	$ 8.04
Flood Light*	250 c.p.	189	$ 13.70

* These luminaires are no longer available for new installations or unit replacements.

c) 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 Merchant Function Charge, the New York State Assessment Factor, the Securitization Offset Charge, and the Delivery Service Adjustment.

VIII.SERVICE CLASSIFICATIONS (continued):

L. SERVICE CLASSIFICATION NO. 7
Outdoor Area Lighting (continued):
(Rate Code: 780)

4. Minimum Charge

The monthly Minimum Charge is the charge computed under the Rates in 3 *a., b. and c.* above.

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 one (1) year, 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 one (1) year from the start of service.

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

d) The Authority may terminate service immediately if, for any reason, the Authority is unable 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.

7. Special Provisions

a) Authority Furnished and Installed Fixtures

The Authority will furnish and install the outdoor lighting fixtures if:

(1) The Customer has assured the Authority that the service will be on a continuous and reasonably permanent basis, and

(2) The Customer signs a contract agreeing to the terms of this Service Classification.

VIII.SERVICE CLASSIFICATIONS (continued):

L. SERVICE CLASSIFICATION NO. 7
Outdoor Area Lighting (continued):
(Rate Code: 780)
Special Provisions (continued):

b) Fixture Types and Their Locations

(1) Only fixtures approved by the Authority will be installed and maintained at Authority-approved locations.

(2) The Authority will only locate facilities where they can be maintained with the use of its aerial vehicles, and

(3) The Authority will relocate fixtures or replace a fixture with one of different design if the Customer pays in advance for the relocation or replacement.

c) Service and Maintenance

(1) The Authority will service and maintain the equipment only during normal working hours, and

(2) The Authority will replace burned out lamps after being notified by the Customer unless prevented by conditions outside the Authority's control.

d) Energy Delivery Points

The Authority will supply electricity for lighting facilities at the following Energy Delivery Points:

(1) For overhead-supplied lighting facilities, at the overhead secondary distribution lines on the utility pole, and

(2) For underground-supplied lighting facilities:

(a) At the Authority's overhead secondary distribution lines if the Authority's system is overhead, or

(b) At a pull box, provided and installed by the Customer, not more than one (1) foot from a designated Authority-owned manhole or splicing chamber, if the Authority's system is underground.

e) Notification Obligations of the Customer

(1) The Customer shall be responsible for notifying the Authority in writing within thirty (30) days of any changes to existing lighting fixtures, including the deletion of fixtures or any other type of change in facilities.
(2) The Customer shall be responsible for notifying the Authority when a fixture needs to be repaired.
(3) The Customer may receive an adjustment to their bill covering the period from two (2) business days after the date the Authority is notified to the date the fixture is repaired.
(4) Customers who do not report such changes to the Authority are not entitled to receive an adjustment to their bill.

VIII.SERVICE CLASSIFICATIONS (continued):

M. SERVICE CLASSIFICATION NO. 7A
Outdoor Area Lighting - HPS (High Pressure Sodium), MH (Metal Halide), and LED (Light Emitting Diode):
(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 (HPS), metal halide (MH) and light emitting diode (LED) facilities.

3. Rates and Charges

   a) Rates per Lighting Facility per Month

Lamp Type	Type Luminaire	Approximate Lumens	Total Watts	Monthly Rates
HPS*	Area Light	6,400	108	$ 28.58
HPS*	Flood Light	27,500	309	$ 35.05
HPS*	Flood Light	50,000	476	$ 46.58
MH*	Flood Light	36,000	453	$ 47.38
MH*	Flood Light	110,000	1,093	$ 51.61
HPS**	Full Cut-off	4,000	63	$ 38.82
HPS**	Full Cut-off	6,300	91	$ 38.95
HPS**	Full Cut-off	9,500	128	$ 39.50

VIII.SERVICE CLASSIFICATIONS (continued):

M. SERVICE CLASSIFICATION NO. 7A
Outdoor Area Lighting - HPS (High Pressure Sodium), MH (Metal Halide), and LED (Lighting Emitting Diode) (continued):
(Rate Codes: 781, 782)
Rates and Charges (continued):

Lamp Type	Type Luminaire	Approximate Lumens	Total Watts	Monthly Rates
HPS**	Full Cut-off	28,500	305	$ 44.27
HPS**	Full Cut-off	50,000	455	$ 57.03
MH**	Full Cut-off	20,500	288	$ 44.50
MH**	Full Cut-off	36,000	455	$ 57.03
LED***	Full Cut-off	19,270	150	$ 44.27
LED***	Full Cut-off	29,100	250	$ 57.03
LED	Full Cut-off	19,850	130	$ 44.27
LED	Full Cut-off	30,300	210	$ 57.03

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

** Effective January 1, 2019 these luminaires are no longer available for new installations or unit replacements. Effective January 1, 2022, bulbs and photocells replacements for these luminaires will also no longer be available.

***Effective June 1, 2024, these luminaires are no longer available for new installations or unit replacements.

b) The charge for Additional Overhead Secondary Cable and Poles dedicated to the Customer is $22.27 per span per month.

c) 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 Merchant Function Charge, the New York State Assessment Factor, the Securitization Offset Charge, and the Delivery Service Adjustment.

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.

VIII.SERVICE CLASSIFICATIONS (continued):

M. SERVICE CLASSIFICATION NO. 7A
Outdoor Area Lighting - HPS (High Pressure Sodium), MH (Metal Halide), and LED (Lighting Emitting Diode) (continued):
(Rate Codes: 781, 782)

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 the 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.

VIII.SERVICE CLASSIFICATIONS (continued):

M. SERVICE CLASSIFICATION NO. 7A
Outdoor Area Lighting - HPS (High Pressure Sodium), MH (Metal Halide), and LED (Light Emitting Diode) (continued):
(Rate Codes: 781, 782)
Term of Service (continued):

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.

7. Special Provisions

a) Authority Furnished and Installed Fixtures

The Authority will furnish and install the outdoor lighting fixtures if:

(1) The Customer has assured the Authority that the service will be on a continuous and reasonably permanent basis, and

(2) The Customer signs a contract agreeing to the terms of this Service Classification.

(3) For a Customer that would like to replace an existing HPS or MH fixture with an LED fixture may do so given they have already met their two (2) year term of service (See VIII.M.6).

b) Fixture Types and Their Locations

(1) Only fixtures approved by the Authority will be installed and maintained at Authority-approved locations.

(2) The Authority will only locate facilities where they can be maintained with the use of its aerial vehicles, and

(3) The Authority will relocate fixtures or replace a fixture with one of different design if the Customer pays in advance for the relocation or replacement.

c) Service and Maintenance

(1) The Authority will service and maintain the equipment only during normal working hours, and

(2) The Authority will replace burned out lamps after being notified by the Customer unless prevented by conditions outside the Authority's control, and

(3) If there is a service interruption:

(a) The Authority will allow the Customer a facilities and energy credit for each 24-hour period the lighting facility is out of service, after being notified by the Customer, and

(b) If service is not restored within twenty-four (24) hours.

VIII.SERVICE CLASSIFICATIONS (continued):

M. SERVICE CLASSIFICATION NO. 7A
Outdoor Area Lighting - HPS (High Pressure Sodium), MH (Metal Halide), and LED (Light Emitting Diode) (continued):
(Rate Codes: 781, 782)
Special Provisions (continued):

d) Energy Delivery Points

The Authority will supply electricity for lighting facilities at the following Energy Delivery Points:

(1) For overhead-supplied lighting facilities, at the overhead secondary distribution lines on the utility pole, and

(2) For underground-supplied lighting facilities:

(a) At the Authority's overhead secondary distribution lines if the Authority's system is overhead, or

(b) At a pull box, provided and installed by the Customer, not more than one (1) foot from a designated Authority-owned manhole or splicing chamber, if the Authority's system is underground.

e) Notification Obligations of the Customer

(1) The Customer shall be responsible for notifying the Authority in writing within thirty (30) days of any changes to existing lighting fixtures, including the addition of new fixtures, the deletion of fixtures or any other type of change in facilities.

(2) The Customer shall be responsible for notifying the Authority when a fixture needs to be repaired.

(3) The Customer may receive an adjustment to their bill covering the period from two (2) business days after the date the Authority is notified to the date the fixture is repaired.

(4) Customers who do not report such changes to the Authority are not entitled to receive an adjustment to their bill.

(5) Upon request by the Authority, the Customer shall complete an easement application for dedicated poles.

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 $0.0632 per kWh, for the monthly kWh of unmetered lighting service specified in the Tariff.

   b) The Underground Connection Charge per Month is $4.79 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 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 Merchant Function Charge, the New York State Assessment Factor, Delivery Service Adjustment, 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):

N. SERVICE CLASSIFICATION NO. 10
Public Street and Highway Lighting Energy and Connections (continued):
(Rate Codes: 1580, 1581)

6. 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 the Tariff, after giving the Customer thirty (30) days written notice.

7. Special Provisions

a) Supplying Electricity to Energy Delivery Points

(1) Overhead Service

For pole-mounted lighting facilities supplied from Authority-owned overhead circuits, the Authority will supply electricity at the overhead secondary mains on the utility pole.

(2) Underground Service

For underground-supplied lighting facilities:

(a) At the Authority's overhead secondary distribution lines, if the Authority's system is overhead, or

(b) At a pull box, provided and installed by the Customer at the side of the roadway, not more than one (1) foot away from a designated Authority-owned manhole or splicing chamber, if the Authority's system is underground.

b) Authority Approval and Inspection of Lighting Facilities

(1) The electrical components of the Customer's lighting facility, including the lamp, must be approved by the Authority, and

(2) The Authority has the right to inspect and test the installed components or samples furnished by the Customer, and

(3) The lighting facility shall have a Power Factor of at least eighty-five percent (85%) lagging.

VIII.SERVICE CLASSIFICATIONS (continued):

N. SERVICE CLASSIFICATION NO. 10
Public Street and Highway Lighting Energy and Connections (continued):
(Rate Codes: 1580, 1581)
Special Provisions (continued):

c) Service and Maintenance

(1) If any lighting facility is out of service because of operating conditions of the Authority:

(a) The Authority will allow the Customer an energy charge credit for each 24-hour period the lighting facility is out of service, after being notified by the Customer, and

(b) If service is not restored within twenty-four (24) hours.

(2) If any lighting facility is found to be lit during daylight hours one (1) day after the Authority notifies the Customer, the Authority will charge the Customer for each day of additional service.

(3) The Authority will not extend its distribution circuits or install poles under this Service Classification unless special arrangements have been made with the Applicant or Customer.

d) Obligations of the Customer

The Customer shall:

(1) Notify the Authority in writing of any changes to existing lighting facilities, including the addition of new lights, the deletion of lights or any change in wattage at a lighting location.

(2) When notifying the Authority in writing of any changes to existing lighting facilities, the notification shall include the date of installation, change or removal of equipment.

(3) Provide and maintain the lighting facilities, including the circuits needed to supply them from the energy delivery points established by the signed agreements, and

(4) Provide Authority-approved controls.

e) Billing of Street Lighting Charges

(1) Street lighting bills will be generated based on the inventory of lighting fixtures and associated wattages available to the Authority at the time the bill is rendered.

(2) Changes to existing lighting facilities, including the addition of new lights, the deletion of lights, or any change in wattage at a lighting location will be reflected in Street Lighting bills within sixty (60) days of receipt of notification of changes.

VIII. SERVICE CLASSIFICATIONS (continued):

N. SERVICE CLASSIFICATION NO. 10
Public Street and Highway Lighting Energy and Connections (continued):
(Rate Codes: 1580, 1581)
Special Provisions (continued):

(3) Adjustments to prior bills will reflect changes as of the date of installation, change or removal provided in the written customer notification, except as otherwise provided herein.

(a) Adjustments to Prior Bills for Inventory Additions or Wattage Increases: Customers who do not report additions to their Street Lighting inventory during or prior to the billing period in which the additions are made will be subject to the terms of Backbilling provided in the Tariff (see Section IV.B.4).

(b) Adjustments to Prior Bills for Inventory Reductions or Wattage Reductions: Customers who do not report reductions to their Street Lighting inventories or reduced wattage (such as energy efficiency upgrades) during or prior to the billing period in which the changes are made will receive adjustments to prior bills issued within the past year. Bills issued more than one (1) year prior to the date on which the updated information is received by the Authority are not eligible for downward adjustment.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service:
(Rate Code: 289)

1. Who Is Eligible

Customers who have the means to generate electricity from a Qualifying Facility as defined under Sections 2 and 66-c of the Public Service Law and Section 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), and wish to sell all or part of it to the Authority. An Applicant shall:

a) Submit the proper written application to the Authority, and

b) Furnish the information the Authority requires to determine if the Applicant qualifies, and

c) Comply with the Authority's Small Generator Interconnection Procedures, and

d) Execute an Interconnection Agreement (IA) with the Authority. (See Special Provision 10(a)(10)(*d*)).

2. Customer Options

a) The Customer may both buy energy from and sell energy to the Authority if:

(1) It sells its available energy output to the Authority under this Service Classification, and

(2) Buys energy (supplemental, backup, and/or maintenance) from the Authority under another suitable Service Classification, and

b) The Customer may negotiate a special contract with the Authority, if the Customer operates a facility that can generate more than 100 kW of electricity, and

(1) Agrees to supply firm service, or

(2) Has an installation the Authority believes requires special facilities, or

(3) Wants a long-term contract.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Customer Options (continued):

c) The Customer, instead of supplying firm service, may contract for sales of energy to the Authority on an interruptible basis under Energy-Only Rates in 4.b below, and

d) When needed, the Authority will solicit capacity for short periods of time.

3. Character of Service

a) Continuous, 60 hertz, 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.

c) Secondary service is at 120/208, 120/240, or 277/480 volts.

d) Primary service is at 2,400/4,160 or 7,620/13,200 volts.

e) Sub/Transmission Service Level is at 23,000volts or higher.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)

4. Payments for Energy, Capacity and Ancillary Services (per month)

a) Payments to Qualifying Facilities (QFs) with separate, individual Point Identifiers (PTIDs) will equal 100% of the revenue received from the New York Independent System Operator (NYISO) for energy, capacity, and ancillary services produced by the QF, less any charges imposed by the NYISO on account of variances from quantities scheduled with or required by the NYISO. In the event that capacity purchased from the QF is used by the Authority to meet its capacity obligations to the NYISO without any corresponding revenue from the NYISO, the payment to the QF for capacity will be computed based on the capacity price established in the NYISO's monthly auction for Zone K.

b) Qualifying Facilities that share a PTID with other generators will be paid the hourly Zone K Day-Ahead Locational Based Marginal Prices (LBMP) times their hourly output for energy, less a pro rata share of any charges imposed by the NYISO on account of variances from quantities scheduled with or required by the NYISO; plus a pro rata share of the capacity value recognized by the NYISO for that shared PTID based on the relative amount of documented UCAP attributable to each generator sharing the PTID. No additional payments will be made for ancillary services.

c) Qualifying Facilities not associated with a PTID are considered to be load modifiers and will receive only time-of-use (TOU) energy payments based on their TOU output times the TOU day-ahead LBMP rates. The rates will be shown on the monthly "Statement of Market Energy Prices" for residential and commercial customers, by TOU rating periods.

d) The Authority will install and maintain metering equipment suitable for the submission of hourly or sub-hourly meter data to the NYISO. Such metering costs will be paid for by the Customer as part of the Interconnection Agreement. The Authority reserves the right to require hourly interval metering or time-of-use metering, at the Authority's sole discretion.

e) The Authority will make payments to the Qualifying Facility only if:

(1) The Qualifying Facility's actual generation meets all of the NYISO qualifications to provide capacity, energy, and/or ancillary services, as applicable.

(2) The Qualifying Facility does not participate in any other capacity, energy or ancillary services program with the NYISO, including demand response programs.

f) Payments to Qualifying Facilities that are conditioned on revenues from the NYISO will be rendered thirty (30) days after the Authority receives the payment from the NYISO.

g) Adjustment Factor: For Qualifying Facilities delivering energy at less than transmission voltage level, the LBMP price will be increased by the "Annual Average Energy Loss Factor" shown on the Authority "Statement of Energy and Peak Demand Losses", but only to the extent that such adjustments are not already reflected in the payments that the Authority receives from the NYISO.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)

5. Feed-in Tariff for Solar Photovoltaic Renewable Resources

a) The Authority will offer to purchase specific amounts of solar photovoltaic power and all environmental attributes at a fixed-price per kWh for a term of twenty (20) years at a fixed price to meet its objectives for specific renewable resources. The terms of the offer are defined below.

b) Generators must enter into a Feed-In Tariff Solar Power Purchase Agreement (the "PPA") and qualify under and satisfy all the requirements of the Small Generator Interconnection Procedures, including attachment at distribution voltages and with a minimum output of greater than 50 kW and maximum output of no more than 20,000 kW. Generators participating in the second installment of the Solar Feed-In Tariff (enrollment period commencing September 30, 2013 through September 30, 2015) must enter into a Feed-In Tariff Solar Power Purchase Agreement (the "PPA"), and satisfy all the requirements of the SGIP with a minimum output of greater than 100 kW and maximum output of 5,000 kW.

c) Generators that were interconnected to the Authority’s system prior to July 1, 2012 are not eligible to participate.

d) Generators that received a solar pioneer rebate, a solar entrepreneur program rebate or research and development funding from the Authority are not eligible to participate, regardless of whether the payment was made to the current Customer or a previous Customer at the same location.

e) The eligible generator will be connected directly to the Authority’s system with a dedicated stand-alone meter, and 100% of the output from the facility will be sold to the Authority pursuant to the PPA, including any beneficial attributes associated with renewable generation.

f) The eligible generator will be responsible for all interconnection costs and other costs of developing, installing and maintaining the renewable generating resource, as specified in this Service Classification or elsewhere in the Tariff. The eligible generator must meet all the requirements of the SGIP and maintain the PPA and an Interconnection Agreement with the Authority for the duration of their participation in the Purchase of Specific Resources.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Solar Photovoltaic Renewable Resources (continued)

g) Specified renewable resources that are not selected for the program may sell their excess generation to the Authority under the general terms of this Service Classification if they meet the qualifications.

h) The generator will be paid on a monthly basis for each kilowatt-hour delivered to the Authority as measured by that stand-alone meter. Any energy flowing back to the Customer on that same meter will be deducted from the amount flowing to the Authority at the same rate as the purchase price. If the Authority determines that more than an incidental amount of energy (1% of gross output of the generator in a given month) is flowing to the generator under this arrangement, then purchases and payments may be terminated until such time as the cause of the amount flowing to the Customer can be determined and remedied by the generator to the Authority's satisfaction.

i) Rates and Charges for Purchase in the 2012 Enrollment Period:

For the July 2012 enrollment period (which is closed to new applicants), the Authority will pay the following rates for the purchase of the output of the generators and the environmental attributes (subject to the terms of the PPA) that are accepted into the reservation queue as specified in the table below.

Type of Resource	Enrollment Period	Total Capacity (nameplate)	Term of Purchase	Purchase Price (per kWh)
Solar Photo-Voltaic	7/1/12	50 MW	20 Years	$0.220

Within the July 2012 enrollment period, 5 MW of total capacity will be reserved for generators between and including those greater than 50 kW and 150 kW in nameplate capacity and 10 MW of total capacity will be reserved for generators larger than 150 kW up to and including 500 kW in nameplate capacity. Additional generators in these two smaller size ranges can be enrolled as part of the remaining 35 MW of unreserved capacity. Generators may not request multiple meters at the same location for purposes of qualifying for the capacity reserved for smaller generators.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Solar Photovoltaic Renewable Resources (continued)

j) Reservation System for the July 2012 Enrollment Period

The Authority may establish a reservation queue for prospective generators that apply to participate in the specific years of enrollment for specific types of resources. A specific generator's position in the reservation queue will be established through the Small Generator Interconnection Procedures, and in the manner to be established by the Authority for applying for participation in the queue.

(1) Generators may apply for this program at the same time as they apply for interconnection with the Authority's system under the SGIP. The applicant's position in the Reservation Queue will be determined by the earliest of:

(a) The date on which the applicant meets all the requirements for immediate interconnection to the Authority's system, or

(b) For generators up to 2,000 kW, the date on which the Authority receives the applicant's "commitment to the completion of the Coordinated Electric System Interconnection Review (CESIR)" as defined in the SGIP.

(c) For generators greater than 2,000 kW, the date on which the Authority receives the applicant's "Feasibility Study Agreement" or, if no feasibility study is performed, the applicant's "System Impact Study Agreement", as defined within the SGIP.

(2) The Authority may determine how long an applicant may remain in the queue without completing the interconnection process before forfeiting its position. That duration will apply equally to all applicants in the reservation queue at that point in time. The duration begins upon notification to the applicant by the Authority that the applicant's capacity has been placed in the reservation queue.

(3) In the event that any applicant drops out of the reservation queue or fails to comply with the PPA or the SGIP, the Authority reserves the right to terminate such project and will advance every other applicant in order and may, at its sole discretion, notify additional applicants that their enrollment now falls within the total capacity designated for participation.

(4) The Authority may establish a non-refundable fee for entering the reservation queue between five hundred dollars ($500) and five thousand dollars ($5,000) depending on the size of the generator, except that generators that meet all the requirements for immediate interconnection to the Authority's system will not be required to pay the reservation fee to obtain their position in the reservation queue.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Solar Photovoltaic Renewable Resources (continued)

k) Rates and Charges for Purchase in the 9/30/13 to 9/30/15 Enrollment Period:

The Authority will determine the rate paid for the purchase of the output of the generators including the environmental attributes from the results of a bidding process as defined below. The rate will be a fixed-price expressed in $/kWh to the nearest $0.0000 for twenty (20) years applicable to all projects as determined by the bidding process defined below, plus a premium of $0.070 per kWh paid to projects connected to substations east of the Canal Substation on the South Fork of Long Island.

The rates determined through the bidding process will be shown on a separate "Statement of Feed-in Tariff Rates" attached to the Tariff. The Statement will show the Type of Resource, the Enrollment Period, the Purchase Rate for solar photovoltaic generation attached to a substation east of the Canal Substation on the South Fork of Long Island and the Purchase Rate for solar photovoltaic generation attached to all other substations.

l) Generator Bidding Process for the Enrollment Period from 9/30/13 to 9/30/15

The Authority will solicit standardized bids from eligible generators between September 30, 2013 and January 31, 2014, inclusive.

(1) Eligible generation is limited to solar photovoltaic generation for capacity of at least 100 kW and no more than 2,000 kW attached to the Authority distribution system. Each bidder must accept the standard terms and conditions authorized for participation in the Feed-in Tariff including the provisions of the PPA and the Small Generator Interconnection Procedures, and specify the bidder's proposed capacity, proposed connection point (including substation and circuit designation) and proposed fixed price (not including the South Fork premium).

(2) The Authority will evaluate the bids as they are received, and will inform the bidder in the event that a bid is deemed non-responsive. The bidder will be given the opportunity to remedy the deficiency, if time allows, by resubmitting the bid, however, the Authority does not guarantee that sufficient time will be afforded to the bidder for resubmittal.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Solar Photovoltaic Renewable Resources (continued)

(3) The Authority will suspend the bidding process on January 31, 2014 and assess the responsive bids received as of that date in the following sequence:

Step 1 Responsive bids will be ranked in price order with the lowest bid price given the highest priority.

Step 2 Bids will be evaluated for available capacity on the designated circuit and substation. No more than 3 MW of customer generation will be allowed on any circuit, and no more than 10 MW of customer generation will be allowed at any given substation including any pre-existing customer generation. Lower priced bids will be given priority, and bids that exceed the available capacity on a given circuit will be removed from consideration and held in reserve in the event that a successful bidder fails to complete the process.

Step 3 The qualifying bids will be accepted in order of increasing bid price until the lesser of: (1) the total desired capacity of 100 MW is achieved; or (2) 90% of the MWs from bids have been accepted. Where multiple bids are received at the same bid price, the bid with the smaller capacity will be prioritized ahead of the bid with the large capacity. In the event that acceptance of a bid in priority order (or multiple bids of equal size and price) will exceed the lesser of the total available capacity or 90% of the MWs from responsive bids, LIPA reserves the right to accept the bid(s) in whole, reject the bid(s) in whole, or offer a reduced amount of capacity to the bidder(s).

Step 4 The rate will be set equal to the bid price of the last bid accepted in Step 3. That rate will be offered to all successful bidders. In addition, if at least 40 MW are accepted for attachment to the designated substations on the South Fork, successful bidders at those locations will receive a premium of $0.070 per kWh. To the extent that the 100 MW is not fully subscribed in Step 3, unsuccessful bidders will be offered the opportunity to accept the clearing price for their generation, in order of increasing bid price, until either the 100 MW is fully subscribed or all bidders have been offered the clearing price.

(4) The Authority reserves the right to reject bids based on price or interconnection concerns, at the Authority's sole discretion.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Solar Photovoltaic Renewable Resources (continued)

(5) Generators are encouraged to apply for this program before they apply for interconnection with the Authority's system under the Small Generator Interconnection Procedures. A reasonable time to complete the SGIP process will be afforded to successful bidders.

(6) The Authority will determine how long an applicant may take to complete the interconnection process before forfeiting its position. That duration will apply equally to all applicants at that point in time. The duration begins upon notification to the applicant by the Authority that the applicant's bid has been accepted.

(7) In the event that any applicant drops out or fails to comply with the PPA or the SGIP, the Authority reserves the right to terminate such project and offer that capacity to the next lowest bidder at the rate established in Section I) 3 above. If no other bidder remains from Section I) 3, above, the Authority may extend an offer to bids received after January 31, 2014, in the order in which such bids were received.

(8) The Authority may establish a non-refundable application fee between five hundred dollars ($500) and five thousand dollars ($5,000) depending on the size of the generator.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)

6. Feed-in Tariff for Renewable Generation Other than Solar Photovoltaic

a) The Authority will offer to purchase specific amounts of power and all environmental attributes from renewable resources other than solar photovoltaic at a fixed-price per kWh for a term of ten (10) years to meet its objectives for specific renewable resources. The terms of the offer are defined below.

b) Only those renewable generating technologies that are approved for the New York State Renewable Portfolio Standards (and excluding solar photovoltaic) as of August 29, 2014 are eligible to participate. The eligible renewable technologies are Landfill Gas, Wind, Biomass, Hydroelectric, Fuel Cells, Anaerobic Digestion, Tidal Energy, Wave Energy, Ocean Thermal, Ethanol, Methanol, and Biodiesel.

c) Generators must enter into a Power Purchase Agreement (the "PPA") for the Clean Renewable Energy Initiative and satisfy all the requirements of the Small Generator Interconnection Procedures with a minimum output of greater than 100 kW and maximum output of 2,000 kW and interconnection voltage no higher than 13.2 kV.

d) Generators that were interconnected to the Authority’s system prior to January 1, 2014 are not eligible to participate.

e) Generators that received a renewable generation rebate or research and development funding from the Authority are not eligible to participate, regardless of whether the payment was made to the current Customer or a previous Customer at the same location.

f) The eligible generator will be connected directly to the Authority’s system with a dedicated stand-alone meter, and 100% of the output from the facility will be sold to the Authority pursuant to the PPA, including any beneficial attributes associated with renewable generation.

g) The eligible generator will be responsible for all interconnection costs and other costs of developing, installing and maintaining the renewable generating resource, as specified in this Service Classification or elsewhere in the Tariff. The eligible generator must meet all the requirements of the SGIP and maintain the PPA and an Interconnection Agreement with the Authority for the duration of their participation in the Purchase of Specific Resources.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Renewable Resources Other than Solar Photovoltaic (continued)

h) Rates and Charges for Purchase

The Authority will determine the rate paid for the purchase of the output of the generators including the environmental attributes from the results of a bidding process as defined below. The rate will be a fixed-price expressed in $/kWh to the nearest $0.0000 for ten (10) years applicable to all projects as determined by the bidding process defined below.

The rates determined through the bidding process will be shown on a separate "Statement of Feed-in Tariff Rates" attached to the Tariff. The Statement will show the Type of Resource, the Enrollment Period, and the Purchase Rate for renewable generation other solar photovoltaic.

i) Generator Bidding Process

The Authority will solicit standardized bids from eligible generators between May 5, 2014 and August 29, 2014, inclusive.

(1) Eligible generation is limited to renewable resources other than solar photovoltaic generation for capacity of at least 100 kW and no more than 2,000 kW attached to the Authority distribution system. Each bidder must accept the standard terms and conditions authorized for participation in the Feed-in Tariff including the provisions of the PPA and the Small Generator Interconnection Procedures, and specify the bidder's proposed capacity, proposed connection point (including substation and circuit designation) and proposed fixed-price per kWh.

(2) The Authority will evaluate the bids as they are received, and will inform the bidder in the event that a bid is deemed non-responsive. The bidder will be given the opportunity to remedy the deficiency, if time allows, by resubmitting the bid, however, the Authority does not guarantee that sufficient time will be afforded to the bidder for resubmittal.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Renewable Resources Other than Solar Photovoltaic (continued)

(3) The Authority will suspend the bidding process on August 29, 2014 and assess the responsive bids received as of that date in the following sequence:

Step 1 Responsive bids will be ranked in price order with the lowest bid price given the highest priority.

Step 2 Bids will be evaluated for available capacity on the designated circuit and substation. No more than 3 MW of customer generation will be allowed on any circuit, and no more than 10 MW of customer generation will be allowed at any given substation including any pre-existing customer generation. Lower priced bids will be given priority, and bids that exceed the available capacity on a given circuit will be removed from consideration and held in reserve in the event that a successful bidder fails to complete the process.

Step 3 The qualifying bids will be accepted in order of increasing bid price until either: (1) the total desired capacity of 20 MW is achieved; or (2) 90% of the bids by aggregate MW of offered capacity have been accepted. Where multiple bids are received at the same bid price, the bid with the smaller capacity will be prioritized ahead of the bid with the larger capacity. In the event that acceptance of a bid in priority order (or multiple bids of equal size and price) will exceed the total available capacity or 90% of aggregate capacity of all responsive bids, LIPA reserves the right to accept the bid(s) in whole, reject the bid(s) in whole, or offer a reduced amount of capacity to the bidder(s).

Step 4 The rate will be set equal to the bid price of the last bid accepted in Step 3, subject to paragraph (iv) immediately following. That rate will be offered to all successful bidders. In the event that the 20 MW is not fully subscribed in Step 3, the Authority may offer unsuccessful or previously excluded eligible bidders the opportunity to accept the clearing price for their generation, in order of increasing bid price, until either the 20 MW is fully subscribed or all bidders have been offered the clearing price.

(4) The Authority reserves the right to reject bids based on price or interconnection concerns, at the Authority's sole discretion. Further, the Authority will not pay more for the non-solar PV renewable generation than the clearing price established for solar PV generation as described on Leaf No. 255C and no premium will be paid for non-solar PV generation attached to the designated substations on the South Fork.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Renewable Resources Other than Solar Photovoltaic (continued)

(5) Generators are encouraged to apply for this program before they apply for interconnection with the Authority's system under the Small Generator Interconnection Procedures. A reasonable time to complete the SGIP process will be afforded to successful bidders.

(6) The Authority will determine how long an applicant may take to complete the interconnection process before forfeiting its position. That duration will apply equally to all applicants. The duration begins upon notification to the applicant by the Authority that the applicant's bid has been accepted.

(7) In the event that any applicant drops out or fails to comply with the PPA or the SGIP, the Authority reserves the right to terminate such project and offer that capacity to the next lowest bidder at the rate established in Section i) 3 above. If no other bidder remains from Section i) 3, above, the Authority may extend an offer to bids received after August 29, 2014, in the order in which such bids were received.

(8) The Authority may establish a non-refundable application fee between five hundred dollars ($500) and five thousand dollars ($5,000) depending on the size of the generator.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)

7. Feed-in Tariff for Commercial Solar Photovoltaic Renewable Resources:

The Authority establishes a Commercial Solar Feed-in Tariff Program under the terms defined below.

a) Who Is Eligible

Generation Projects that qualify under and satisfy all the requirements of the Tariff including the Small Generator Interconnection Procedures, with a minimum output of 200 kW and maximum output of less than 1,000 kW, and will enter into a Solar Power Purchase Agreement for the Solar Feed-in Tariff (the "Power Purchase Agreement").

(1) Eligible generation is limited to solar photovoltaic (PV) systems that generate electricity directly from sunlight.

(2) Eligible PV systems must be mounted on:

(a) The roof of an active Nonresidential Customer’s building or structure; or

(b) A Nonresidential Customer’s carport that is used to shelter motor vehicles. The carport must be installed over a paved parking area composed of asphalt, concrete, or similar permanent material.

(3) Eligible Generation Projects must be connected directly to the Authority’s distribution system with a dedicated meter.

(4) Eligible PV systems are required to use smart inverters that conform to the Authority’s technical interconnection requirements. The operation of the smart inverters may limit the amount of energy that the Generation Project provides to the system and correspondingly limit the compensation received by the Generation Project.

(5) Eligible PV systems are precluded from participating in the Commercial System Relief Program or the Distribution Load Relief Program.

b) Who Is Not Eligible

(1) Generation Projects that were interconnected to the Authority’s system as of the date of applying for the Tariff are not eligible to participate.

(2) Generation Projects that received a Solar Pioneer rebate, a Solar Entrepreneur Program rebate or research and development funding from the Authority are not eligible to participate, regardless of whether the payment was made to the current Customer or a previous Customer at the same location.

(3) Generation Projects that are in the SGIP queue prior to being accepted for the Tariff are not eligible to participate unless they withdraw from the SGIP queue.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Commercial Solar Photovoltaic Renewable Resources (continued):

c) The Power Purchase Agreement will be available on the Manager's website and at its business offices.

d) All of the Solar Products (as defined in the Power Purchase Agreement) from the facility will be sold to the Authority pursuant to the Power Purchase Agreement. Solar Products include all solar PV electric capacity, energy and ancillary services, together with all of the Environmental Attributes.

e) The Authority will purchase Solar Products at a fixed-price per kWh for a fixed-term of twenty (20) years.

f) The Generation Project owner will be responsible for all interconnection costs and all other costs of developing, installing, operating and maintaining the renewable generating resource and all other costs and charges, as specified in this Service Classification or elsewhere in the Tariff. The generator must meet all the requirements of the Small Generator Interconnection Procedures.

g) In addition to the foregoing requirements, all Generation Projects and associated interconnection facilities must be designed to withstand 130 mph winds and have equipment elevations to accommodate updated one-in-500 year flood zones.

h) The Generation Project owner shall be responsible for obtaining any and all necessary permits and approvals for Generation Project facilities and interconnection facilities and for conducting all necessary public outreach.

i) Solar Generation Projects that are not selected for the program may sell their generation to the Authority under the general terms of this Service Classification No.11 - Buyback Service, if they meet the qualifications or may apply for Net Metering or Community Net Metering pursuant to the Authority's rules for Net Metering or Community Net Metering.

j) The Generation Project owner will be paid on a monthly basis for each kilowatt-hour delivered to the Authority as measured by the dedicated meter. Any energy flowing back to the site on that same meter will be deducted from the amount flowing to the Authority at the same rate as the purchase price. If the Authority determines that more than an incidental amount of energy (1% of gross output of the generator in a given month) is flowing to the Generator Project's site under this arrangement, then purchases and payments may be terminated until such time as the cause of the amount flowing to the site can be determined and remedied by the Generator Project owner to the Authority's satisfaction.

k) Rates and Charges for Purchase
The Authority will determine the rate paid for the purchase of Solar Products from the results of a bidding process as defined below. The rate will be a fixed-price expressed in $/kWh to the nearest $0.0000 applicable to all projects selected by the Authority for the term of the Power Purchase Agreement.

The rates determined through the bidding process will be shown on the separate "Statement of Feed-in Tariff Rates" attached to the Tariff that also shows the results of all other Feed-in Tariff solicitations. The Statement will show the type of resource, the enrollment period and the purchase rate for the Solar Product.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Commercial Solar Photovoltaic Renewable Resources (continued):

I) Generator Bidding Process for the Enrollment Period from 10/1/16 to 1/31/17

The Authority will solicit standardized bids from eligible Generation Projects between October 1, 2016 and January 31, 2017, inclusive. Bids must be submitted electronically to the Authority at the address shown on the Manager's website. The Manager is authorized to establish limitations on the size and format of applications or establish other restrictions as it deems appropriate for the operation of its website.

(1) The Authority will provide non-binding guidance with respect to estimates of available capacity to prospective bidders with regards to potential points of interconnection within the Authority's electric distribution system through information posted on the Manager's website. Substations that are at or near their maximum injection capacity would necessitate extensive modification to incorporate the injection of new resources. The cost of all modifications shall be borne solely by the bidder.

The bidder will specify the bidder's proposed capacity, proposed connection point (including substation and circuit designation), and proposed fixed-price per kWh. Bidders may, but are not required to, specify alternative capacity amounts smaller than the proposed capacity.

(2) The Authority will not accept a bid whose fixed-price exceeds $0.1688/kWh ("Price Cap"). A Generation Project's bid will be rejected as nonresponsive if the fixed-price bid exceeds the Price Cap or if it is incomplete or otherwise not in conformance with the provisions of the Tariff.

(3) The Authority will evaluate the Generation Project's bids for responsiveness as they are received. For bids received prior to January 17, 2017, and if time allows, the Authority will attempt to inform the bidder in the event that a bid is deemed non-responsive or subject to additional interconnection costs. Notified bidders will be given the opportunity to remedy the deficiency by resubmitting the bid on or before January 31, 2017. The Authority does not guarantee that sufficient time will be afforded to the bidder for resubmittal.

(4) The timestamp of a Generation Project's bid will be set by the email's time stamp. The timestamp of resubmitted Generation Project's bid will be reset by the email's time stamp of the resubmitted bid.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Commercial Solar Photovoltaic Renewable Resources (continued):

(5) The Authority will evaluate bids as follows:

Step 1 Complete and responsive Solar Feed-in Tariff and Fuel Cell Feed-In Tariff bids will be ranked in price order with the lowest bid price given the highest priority. Where multiple bids are received with the same bid price, the bid with the smaller capacity will be prioritized ahead of the bid with the larger capacity. Where multiple bids are received with the same bid price and the same capacity, priority will be given to the bid with the earlier timestamp of submission. Once the bids are ranked using the method outlined above, any bid ranked (in whole or part) in the lowest priority 10% of capacity of each of the Solar Feed-in Tariff and Fuel Cell Feed-in Tariff bids will be excluded from further evaluation and the excluded Solar Feed-in Tariff bid(s) will be added to the waiting list (see Section VIII.O.7.m below).

Step 2 Bids will be reviewed by the Authority using the SGIP's preliminary screening process to determine if the Generation Project can be integrated into the system at that location based on the proposed size. If the Generation Project passes the preliminary screening at its proposed size or at a level above its minimum proposed size the project will be advanced for further evaluation. If the Generation Project fails the preliminary screening process it will be excluded from further evaluation and the excluded Solar Feed-in Tariff bid(s) will be added to the waiting list (see Section VIII.O.7.m)

Step 3 Once the lowest priority 10% of capacity bids are excluded from further evaluation, complete and responsive Solar Feed-in Tariff bids and Fuel Cell Feed-in Tariff bids will be evaluated sequentially in order from highest priority to lowest priority as determined in Steps 1 and 2. A bid will be accepted into the Commercial Solar Photovoltaic Feed-in Tariff if it satisfies all three of the following conditions:

a) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids from the same Feed-in Tariff Program, does not exceed the program cap of 20 MW for the Solar Feed-in Tariff and 40 MW for the Fuel Cell Feed-in Tariff; and

b) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids proposing to interconnect to the same distribution circuit, does not exceed the remaining available capacity for the circuit as determined in Step 2; and

c) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids proposing to interconnect to the same substation, does not exceed the remaining available capacity for the substation as determined in Step 2.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Commercial Solar Photovoltaic Renewable Resources (continued):

If a bid fails to satisfy one or more of the three conditions above, it will be evaluated at all alternative capacity amounts specified in the bid, per Section VIII.O.7.l.1. The bid will be accepted with the highest alternative capacity amount that satisfies all three of the conditions above. If the bid and all alternative bid capacity amounts fail to satisfy one or more of the three conditions above, the bid will not be accepted and will be removed from the evaluation process and added to the Waiting List (see Section VIII.O.7.m below).

Step 4 The rate for the Commercial Solar Feed-in Tariff will be set equal to the bid price of the highest-price bid accepted. A Power Purchase Agreement at that rate will be offered to all successful bidders for a term of twenty (20) years. This rate will also apply to Generation Projects that are accepted from the Commercial Solar Feed-in Tariff Waiting List.

(6) Upon completion of Step 4 above, the Authority will notify Generation Project owners of their acceptance or non-acceptance into the Solar Feed-in Tariff. Generation project owners with responsive bids that were not accepted will be placed on a Waiting List unless the bidder requests otherwise in a written request to the Authority.

(7) Once notified of acceptance, Generation Projects then must apply to the SGIP process within ten (10) business days. Accepted Generation Projects will be expected to complete the SGIP process in accordance with the timelines therein. The Generation Project owner shall be responsible for any and all interconnection and system upgrade costs.

(8) The Authority will apply the procedures in the SGIP to determine how long an applicant may take to complete the interconnection process before forfeiting its acceptance in the Solar Feed-in Tariff.

m) Waiting List for the Enrollment Period from 2/1/17 to 2/1/20

(1) The Authority will continue to accept applications from eligible Generation Projects until February 1, 2020. Applications submitted after January 31, 2017 need not include a proposed price. For the duration of this enrollment period, all responsive bids that have not been accepted into the Commercial Solar Feed-in Tariff nor withdrawn by the Generation Project owner will be on the Waiting List.

(2) In order to provide guidance to prospective applicants with regards to potential points of interconnection within the Authority's electric distribution system, remaining available capacity on specific distribution circuits and substations will be displayed on the Manager's website, and updated from time to time as circumstances warrant.

(3) At any time after the initial award of Power Purchase Agreements and before February 1, 2020, the Authority may offer a Power Purchase Agreement to projects on the waiting list to achieve but not exceed the 20,000 kW enrollment target.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Commercial Solar Photovoltaic Renewable Resources (continued):

(4) The Commercial Solar Feed-in Tariff waiting list will be prioritized according to: (1) earlier application submittal timestamp over later timestamp and, for projects submitted at the same time and (2) smaller capacity projects over larger capacity projects. Unsuccessful bidders to the Commercial Solar Feed-in Tariff will have the timestamp of submission of their Commercial Solar Feed-in Tariff responsive bid treated as their application submittal timestamp for the purposes of this Waiting List. In the event that acceptance of a bid exceeds the desired capacity, the Authority reserves the right to offer a reduced amount of capacity to the applicant(s).

(5) Applicants in the waiting list will be evaluated for remaining available capacity on the designated circuit and substation. Applicants that exceed the remaining available capacity on a given circuit or substation will be removed from consideration, but may remain in the waiting list. In the event that multiple applicants propose to interconnect to the same circuit or substation leading to an exceedance of available capacity, the applicants will be evaluated in priority order to determine which applicants are removed from consideration.

(6) An applicant that fails the SGIP preliminary screen may request that the Authority complete, at the applicant's expense, the appropriate interconnection study required by the SGIP. If the SGIP interconnection review process concludes that the project can be interconnected to the system it will be advanced for further evaluation on the Commercial Solar Feed-in Tariff Waiting List.

(7) Once notified of acceptance from the Commercial Solar Feed-in Tariff wait list, Generation Projects then must apply to the SGIP process within twenty (20) business days. Generation Projects will be expected to complete the SGIP process in accordance with the timelines therein. The Generation Project owner shall be responsible for any and all interconnection and system upgrade costs.

n) Without waiving or limiting any other rights of the Authority, in the event that any Generation Project owner fails to comply with the Tariff, the SGIP or the Interconnection Agreement, the Authority reserves the right to withdraw its acceptance of the Generation Project into the Commercial Solar Feed-in Tariff.

o) Generation projects in active consideration during the evaluation process will be considered to have priority over any projects submitted to the SGIP process after January 31, 2017 until such time as Generation projects are notified of acceptance and are afforded the ten (10) days to submit their applications into the SGIP process.

p) The application fee is one thousand dollars ($1,000) to be submitted at the time of application by certified check made payable to PSEG Long Island. The fee will be refunded to any applicant that is deemed non-responsive, is not accepted into the Solar Feed-in Tariff or Waiting List, or withdraws prior to the applicant being accepted in the Solar Feed-in Tariff.

q) The Authority reserves the right to reject any and all applications and/or bids at any time prior to the execution of both the Power Purchase Agreement and Interconnection Agreement by all parties.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buybck Service (continued):
(Rate Code: 289)

8. Feed-in Tariff for Fuel Cell Resources:

The Authority establishes a Fuel Cell Feed-in Tariff Program under the terms defined below.

a) Who Is Eligible

Fuel cell Generation Projects that qualify under and satisfy all the requirements of the Tariff including the Small Generator Interconnection Procedures, with a minimum output of greater than or equal to 1,000 kW and maximum output of no more than 20,000 kW, and will enter into a Fuel Cell Power Purchase Agreement for the Fuel Cell Feed-in Tariff (the "Power Purchase Agreement").

(1) Fuel cell Generation Projects must attach to the system at or within a beneficial area as listed on the Manager's website, which may be updated from time to time.

(2) Fuel cell generating technology that uses less than 100% renewable energy sources are eligible to participate.

(3) Fuel cell Generation Projects must be connected directly to the Authority's electric system with a dedicated meter.

(4) Fuel cells Generation Projects do not need to comply with the Qualifying Facility requirements of this Service Classification.

(5) The Generation Project owner shall obtain Station Service Power for the Project in order to supply the facility's needs when the Generation Project is not generating electricity.

(6) Fuel cells Generation Projects are precluded from participating in the Commercial System Relief Program or the Distribution Load Relief Program.

b) Who Is Not Eligible

(1) Generation Projects that were interconnected to the Authority's system as of the date of applying for the Tariff are not eligible to participate.

(2) Generation Projects that received research and development funding from the Authority are not eligible to participate, regardless of whether the payment was made to the current Customer or a previous Customer at the same location.

(3) Generation Projects that are in the SGIP queue or NYISO interconnection queues are not eligible to participate unless they withdraw from such queue.

c) The Power Purchase Agreement will be available on the Manager's website and at its business offices.

d) All of the Fuel Cell Products (as defined in the Power Purchase Agreement) from the facility will be sold to the Authority pursuant to the Power Purchase Agreement. Fuel Cell Products include all Fuel Cell electric capacity, energy and ancillary services, together with all of the Environmental Attributes.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Fuel Cell Resources (continued):

e) The Authority will offer to purchase Fuel Cell Products at a fixed-price per kWh plus a variable cost of fuel determined by a fixed heat rate multiplied by a natural gas index price for a fixed-term. The terms of the offer are defined below.

f) Generation Projects intending to connect to the distribution system (Point of Interconnection on 13 kV or lower) must meet all the requirements of the SGIP. Generation Projects intending to connect to the transmission system (Point of Interconnection on 23 kV or higher) must adhere to the NYISO's Large Generator Interconnection Procedures, NYISO's Small Generator Interconnection Procedures, and the Authority's SGIP, as applicable. Generation Projects greater than 10 MW must connect to the transmission system.

g) Non-synchronous Generation Projects proposing to connect to the transmission system must comply with the requirements listed in the "Statement of Performance Requirements for Transmission-Connected Resources Using Non-Synchronous Generation." The requirements of this Statement do not supersede the requirements of the SGIP, NYISO's Large Generator Interconnection Procedures, or NYISO's Small Generator Interconnection Procedures. This requirement is in addition to those documents.

h) In addition to the foregoing requirements, all Generation Projects and associated interconnection facilities must be designed to withstand 130 mph winds and have equipment elevations to accommodate updated one-in-500 year flood zones.

i) The Generation Project owner shall be responsible for obtaining any and all necessary permits and approvals for Generation Project facilities and interconnection facilities and for conducting all necessary public outreach.

j) The Generation Project owner will be responsible for all interconnection costs and all other costs of developing, installing, operating and maintaining the generating resource and all other costs and charges, as specified in this Service Classification or elsewhere in the Tariff.

k) Fuel Cell Generation Projects that are not selected for the program may sell their generation to the Authority under the general terms of this Service Classification No.11 - Buyback Service, if they meet the qualifications or may apply for Net Metering or Community Net Metering pursuant to the Authority's rules for Net Metering or Community Net Metering.

l) The Generation Project owner will be paid on a monthly basis for each kilowatt-hour delivered to the Authority as measured by the dedicated meter. Any energy flowing back to the site on that same meter will be deducted from the amount flowing to the Authority at the same rate as the purchase price. If the Authority determines that more than an incidental amount of energy (1% of gross output of the generator in a given month) is flowing to the Generation Project's site under this arrangement, then purchases and payments may be terminated until such time as the cause of the amount flowing to the site can be determined and remedied by the Generation Project owner to the Authority's satisfaction or agrees to pay for Station Service on all inflows of power to the Generation Project.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Fuel Cell Resources (continued):

m) Rates and Charges for Purchase:

The Authority will determine the rate paid for the purchase of Fuel Cell Products from the results of a bidding process as defined below. The rate will be a formula expressed as a fixed-price in $/kWh to the nearest $0.0000 plus a heat rate factor expressed in BTU/kWh to the nearest whole number to be multiplied by a gas price index in $/MMBtu and divided by 1,000,000. The rate formula for all projects selected by the Authority will be calculated and set daily based on daily gas prices.

The gas price index will be the flow date midpoint price from the Daily Price Survey published in Platts Gas Daily for either (1) Iroquois Zone 2; (2) Transco Zone 6 NY; or (3) a simple average of index (1) and index (2). Bidders must specify which gas price index will be used to calculate their PPA rate.

n) Generator Bidding Process for the Enrollment Period from 10/1/16 to 1/31/17

The Authority will solicit standardized bids from eligible Generation Projects between October 1, 2016 and January 31, 2017, inclusive. Bids must be submitted electronically to the Authority at the address shown on the Manager's website. The Manager is authorized to establish limitations on the size and format of applications or establish other restrictions as it deems appropriate for the operation of its website.

(1) Prior to September 30, 2016 the Authority will publish information on the Manager's website that identifies geographical areas by distribution/transmission substation boundaries or transmission circuits that are deemed beneficial locations for the connection of fuel cell Generation Projects (i.e. locations where the Manager determines interconnection of a fuel cell Generation Project is reasonably likely to avoid or defer future distribution and/or transmission system costs). As part of the evaluation process described in Section (8), the Manager will estimate the present value of the avoided or deferred future distribution and/or transmission costs associated with each responsive bid. This information will be considered in ranking the responsive bids as described in Section (8) Step (1). Generation Projects proposing to connect directly to the distribution system must be proposed for a connection point within the distribution beneficial locations as posted on the Manager's website. Generation Projects proposing to connect to the transmission system must be proposed for a connection point within the distribution and transmission beneficial locations as posted on the Manager's website. The Authority will provide non-binding guidance with respect to estimates of available capacity and to potential points of interconnection within the Authority's electric system through information posted on the Manager's website. Substations that are at or near their maximum injection capacity would necessitate extensive modification to incorporate the injection of new resources. The cost of all modifications shall be borne solely by the bidder.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Fuel Cell Resources (continued):

(2) Prior to September 30, 2016, the Authority will develop and post a 20-year levelized gas price forecast for the three gas price indices specified in Section VIII.O.8.m. The 20-year levelized gas prices will be based on an independent natural gas price forecast for various delivery points, similar in nature to the forecast relied upon for the Manager's Integrated Resource Plan. Forecast 2018 – 2037 prices will be levelized using a discount rate of 5.0%. A volatility adder of no more than 15% may also be applied to the final 20-year levelized gas price forecast. The bidder will specify the bidder's proposed capacity, proposed connection point on the transmission or distribution system (including substation and circuit designation or transmission interconnection point), proposed fixed price component per kWh, proposed heat rate factor in BTU/kWh, and gas price index selection. Bidders may, but are not required to, specify alternative capacity amounts smaller than the proposed capacity.

(3) The Authority will not accept a bid whose proposed heat rate factor exceeds 10,000 BTU/kWh ("Heat Rate Cap"). A Generation Project's bid will be rejected as nonresponsive if the heat rate factor exceeds the Heat Rate Cap.

(4) Fuel Cell bid prices shall be calculated for the purposes of this evaluation as the proposed heat rate times the posted 20-year levelized gas price forecast (including volatility adder, if any, as determined by the Authority) for the bidder's selected gas index, divided by 1,000,000, and added to the fixed cost component.

(5) The Authority will not accept a bid whose bid price for evaluation purposes is greater than $0.1688/kWh ("Price Cap"). A Generation Project's bid will be rejected as nonresponsive if the evaluated bid price exceeds the Price Cap or if it is incomplete or otherwise not in conformance with the provisions of the Tariff.

(6) The Authority will evaluate the Generation Project's bids for responsiveness as they are received. For bids received prior to January 17, 2017, and if time allows, the Authority will attempt to inform the bidder in the event that a bid is deemed non-responsive or subject to additional interconnection costs. Notified bidders will be given the opportunity to remedy the deficiency by resubmitting the bid on or before January 31, 2017. The Authority does not guarantee that sufficient time will be afforded to the bidder for resubmittal.

(7) The timestamp of a Generation Project's bid will be set by the email's time stamp. The timestamp of resubmitted Generation Project's bid will be reset by the email's time stamp of the resubmitted bid.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Fuel Cell Resources (continued):

(8) The Authority will evaluate bids as follows:

Step 1 Complete and responsive Solar Feed-in Tariff and Fuel Cell Feed-in Tariff bids will be ranked in price order with the lowest bid price given the highest priority. Where multiple bids are received with the same bid price, the Manager's estimate of the present value of the avoided future distribution and/or transmission costs associated with each responsive bid will be considered in ranking the responsive bids of equal price. Beyond this, the bid with the smaller capacity will be prioritized ahead of the bid with the larger capacity and, beyond that, priority will be given to the bid with the earlier timestamp of submission. Once the bids are ranked using the method outlined above, any bid ranked (in whole or part) in the lowest priority 10% of capacity of each of the Solar Feed-in Tariff and Fuel Cell Feed-in Tariff bids will be excluded from further evaluation and the excluded Fuel Cell Feed-in Tariff bid(s) will be added to the waiting list (see Section VIII.O.8.o below).

Step 2 Bids will be reviewed by the Authority using the SGIP's preliminary screening process to determine if the Generation Project can be integrated into the system at that location based on the proposed size. If the Generation Project passes the preliminary screening at its proposed size or at a level above its minimum proposed size the project will be advanced for further evaluation. If the Generation Project fails the preliminary screening process it will be excluded from further evaluation and the excluded Fuel Cell Feed-in Tariff bid(s) will be added to the waiting list (see Section VIII.O.8.o.)

Step 3 Once the lowest priority 10% of capacity bids are excluded from further evaluation, complete and responsive Solar Feed-in Tariff bids and Fuel Cell Feed-in Tariff bids will be evaluated sequentially in order from highest priority to lowest priority as determined in Steps 1 and 2 above. A bid will be accepted into the Fuel Cell Feed-in Tariff if it satisfies all three of the following conditions:

a) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids from the same Feed-in Tariff Program, does not exceed the program cap of 20 MW for the Solar Feed-in Tariff and 40 MW for the Fuel Cell Feed-in Tariff; and

b) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids proposing to interconnect to the same distribution circuit, does not exceed the remaining available capacity for the circuit as determined in Step 2; and

c) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids proposing to interconnect to the same substation, does not exceed the remaining available capacity for the substation as determined in Step 2.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Fuel Cell Resources (continued):

If a bid fails to satisfy one or more of the three conditions above, it will be evaluated at all alternative capacity amounts specified in the bid, per Section VIII.O.8.n.2. The bid will be accepted with the highest alternative capacity amount that satisfies all three of the conditions above. If the bid and all alternative bid capacity amounts fail to satisfy one or more of the three conditions above, the bid will not be accepted and will be removed from the evaluation process and added to the Waiting List (see Section VIII.O.8.o. below).

Step 4 All accepted Fuel Cell Feed-in Tariff bidders will be offered their own as-bid rate formula (Fixed-price component, heat rate factor, and gas index price option) for a term of up to twenty (20) years in accordance with the provisions of the PPA and the Tariff.

(9) Upon completion of Step 4 above, the Authority will notify Generation Project owners of their acceptance or non-acceptance into the Fuel Cell Feed-in Tariff. Generation project owners with responsive bids that were not accepted will be placed on a Waiting List unless the bidder requests otherwise in a written request to the Authority.

(10) Once notified of acceptance, Generation Projects then must apply within ten (10) business days for interconnection with the Authority's system under the SGIP, NYISO's Large Generator Interconnection Procedures, and NYISO's Small Generator Interconnection Procedures, as applicable. Accepted Generation Projects will be expected to complete the interconnection process in accordance with the timelines in the SGIP, NYISO's Large Generator Interconnection Procedures, and NYISO's Small Generator Interconnection Procedures, as applicable. The Generation Project owner shall be responsible for any and all interconnection and system upgrade costs.

(11) The Authority will apply the procedures in the SGIP, NYISO's Large Generator Interconnection Procedures and NYISO's Small Generator Interconnection Procedures, as applicable, to determine how long an applicant may take to complete the interconnection process before forfeiting its acceptance in the Fuel Cell Feed-in Tariff.

o) Waiting List for the Enrollment Period from 2/1/17 to 2/1/19

(1) The Authority will continue to accept applications from eligible Generation Projects until February 1, 2019. Applications will have all required information as outlined in Section VIII.O.8.n.2). For the duration of this enrollment period, all responsive bids that have not been accepted into the Fuel Cell Feed-in Tariff nor withdrawn by the Generation Project owner will be on the Waiting List.

(2) In order to provide guidance to prospective applicants with regards to potential points of interconnection within the Authority's electric distribution system, remaining available capacity on specific distribution circuits and substations will be displayed on the Manager's website, and updated from time to time as circumstances warrant.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Fuel Cell Resources (continued):

(3) At any time after the initial award of Power Purchase Agreements and before February 1, 2019, the Authority may offer a Power Purchase Agreement to projects on the waiting list to achieve but not exceed the 40 MW enrollment target.

(4) The Fuel Cell Feed-in Tariff waiting list will be prioritized according to: (1) bid price and, for projects submitted with the same bid price (2) the smaller capacity projects will be prioritized over larger capacity projects and for projects submitted with the same bid price and capacity, timestamp will be used to set the priority. Unsuccessful bidders to the Fuel Cell Feed-in Tariff will have the timestamp of submission of their Fuel Cell Feed-in Tariff responsive bid treated as their application submittal timestamp for the purposes of this Waiting List. In the event that acceptance of a bid exceeds the desired capacity, the Authority reserves the right to offer a reduced amount of capacity to the applicant(s).

(5) Applicants in the waiting list will be evaluated for remaining available capacity on the designated circuit and substation. Applicants that exceed the remaining available capacity on a given circuit or substation will be removed from consideration, but may remain in the waiting list. In the event that multiple applicants propose to interconnect to the same circuit or substation leading to an exceedance of available capacity, the applicants will be evaluated in priority order to determine which applicants are removed from consideration.

(6) An applicant that fails the SGIP preliminary screen may request that the Authority complete, at the applicant's expense, the appropriate interconnection study required by the SGIP. If the SGIP interconnection review process concludes that the project can be interconnected to the system it will be advanced for further evaluation on the Fuel Cell Feed-in Tariff Waiting List.

All accepted Fuel Cell Feed-in Tariff bidders will be offered their own as-bid rate formula as expressed in Section VIII.O.8.m. (Fixed-price component, heat rate factor, and gas index price option) for a term of up to twenty (20) years in accordance with the provisions of the PPA and the Tariff. Bidders must also comply with the requirements for bids set forth in Section VIII.O.8.n.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Feed-in Tariff for Fuel Cell Resources (continued):

(7) Once notified of acceptance from the Fuel Cell Feed-in Tariff wait list, Generation Projects then must apply within twenty (20) business days for interconnection with the Authority's system under the SGIP, NYISO's Large Generator Interconnection Procedures, and NYISO's Small Generator Interconnection Procedures, as applicable. Accepted Generation Projects will be expected to complete the interconnection process in accordance with the timelines in the SGIP, NYISO's Large Generator Interconnection Procedures, and NYISO's Small Generator Interconnection Procedures, as applicable. The Generation Project owner shall be responsible for any and all interconnection and system upgrade costs.

p) Without waiving or limiting any other rights of the Authority, in the event that any Generation Project owner fails to comply with the Tariff, the SGIP, NYISO's Large Generator Interconnection Procedures, NYISO's Small Generator Interconnection Procedures or the Interconnection Agreement, the Authority reserves the right to withdraw its acceptance of the Generation Project into the Fuel Cell Feed-in Tariff.

q) Generation projects in active consideration during the evaluation process will be considered to have priority over any projects submitted to the SGIP process after January 31, 2017, until such time as Generation projects are notified of acceptance and are afforded the ten (10) days to submit their applications into the SGIP process.

r) The application fee is one dollar ($1) per kilowatt nameplate capacity of the proposed project. The fee will be refunded to any applicant that is deemed non-responsive, is not accepted into the Fuel Cell Feed-in Tariff or Waiting List, or withdraws prior to the applicant being accepted in the Fuel Cell Feed-in Tariff.

s) The Authority reserves the right to reject any and all applications and/or bids at any time prior to the execution of both the Power Purchase Agreement and Interconnection Agreement by all parties.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued): (Rate Code: 289)

9. Solar Communities Feed-in Tariff:

The Authority establishes a Solar Communities Feed-in Tariff ("Solar Communities FIT") to obtain solar photovoltaic renewable resources to support the Solar Communities Program under the terms defined below.

a) Who Is Eligible

Solar generation projects that qualify under and satisfy all the requirements of the Tariff including the Small Generator Interconnection Procedures, and NYISO's Small Generator Interconnection Procedures as applicable, with a minimum output of 200 kW and maximum output of less than 5,000 kW, and will enter into a Solar Power Purchase Agreement for the Solar Communities FIT (the "Power Purchase Agreement").

(1) Generation is limited to solar photovoltaic (PV) systems that generate electricity directly from sunlight.

(2) Projects must be connected directly to the Authority's electric system with a dedicated meter.

(3) PV systems are required to use smart inverters that conform to the Authority's technical interconnection requirements. The operation of the smart inverters may limit the amount of energy that the Generation Project provides to the system and correspondingly limit the compensation received by the Generation Project.

(4) PV systems are precluded from participating in the Commercial System Relief Program or the Distribution Load Relief Program.

(5) Projects are limited to renewable generating technologies that are approved for the Renewable Energy Standard (as defined in the Power Purchase Agreement) at the time the project is accepted.

b) Who Is Not Eligible

(1) Generation Projects that were interconnected to the Authority's system as of the date of applying for this Solar Communities FIT are not eligible to participate.

(2) Generation Projects that are in the SGIP queue or NYISO interconnection queue prior to being accepted for this Solar Communities FIT are not eligible to participate unless they withdraw from such queue.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Solar Communities Feed-in Tariff (continued):

c) The Power Purchase Agreement will be available on the Manager's website and at its business offices.

d) All of the Solar Products (as defined in the Power Purchase Agreement) from the facility will be sold to the Authority pursuant to the Power Purchase Agreement. Solar Products include all solar PV electric capacity and energy, ancillary services (as defined in the Power Purchase Agreement), and environmental attributes (as defined in the Power Purchase Agreement).

e) The Authority will purchase Solar Products at a fixed-price per kWh for a fixed-term of twenty (20) years.

f) The solar generation project owner will be responsible for all interconnection costs and all other costs of developing, installing, operating and maintaining the renewable generating and all other costs and charges, as specified in this Service Classification or elsewhere in the Tariff. Solar generation projects intending to connect to the distribution system (point of interconnection on 13 kV or lower) must meet all the requirements of the SGIP. Solar generation projects intending to connect to the transmission system (Point of Interconnection on 23 kV or higher) must adhere to the NYISO's Small Generator Interconnection Procedures as applicable.

g) Solar generation project will be subject to the Maintenance Charges for Interconnection Equipment as per Section VIII.O.10.a).(5)

h) Non-synchronous solar generation projects proposing to connect to the transmission system must comply with the requirements listed in the document "Statement of Performance Requirements for Transmission-Connected Resources Using Non-Synchronous Generation," found on the Manager's website under "About Us" and then "Legal and Regulatory Documents." The requirements of this document do not supersede the requirements of the SGIP, or NYISO's Small Generator Interconnection Procedures. This requirement is in addition to those documents.

i) In addition to the foregoing requirements, all solar generation projects and associated interconnection facilities must be designed to withstand 130 mph winds and have equipment elevations to accommodate updated one-in-500 year flood zones.

j) The solar generation project owner shall be responsible for obtaining any and all necessary permits and approvals for solar generation project facilities and interconnection facilities and for conducting all necessary public outreach.

k) Solar generation projects that are not selected for the program may sell their generation to the Authority under the general terms of this Service Classification No.11 - Buyback Service, if they meet the qualifications or may apply for Net Metering or Community Net Metering pursuant to the Authority's rules for Net Metering or Community Net Metering.

l) The solar generation project owner will be paid on a monthly basis for each kilowatt-hour delivered to the Authority as measured by the dedicated meter at applicable rates. If the Authority determines that more than an incidental amount of energy (1% of gross output of the generator in a given month) is flowing to the solar generator project's site under this arrangement, then purchases and payments may be terminated until such time as the cause of the amount flowing to the site can be determined and remedied by the solar generator project owner to the Authority's satisfaction or agrees to pay for Station Service on all inflows of power to the Generation Project.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Solar Communities Feed-in Tariff (continued):

m) Sloped Bid Price Cap

The maximum price of bids that will be accepted declines as a piecewise linear function of accepted capacity. The Sloped Bid Price Cap can be found in the Statement of Solar Communities Feed-in Tariff.

n) Rates and Charges for Purchase
The Authority will pay for the purchase of Solar Products for twenty (20) years at the as-bid rate submitted in each Generator Project's bid as defined below. The rate will be a fixed-price expressed in $/kWh to the nearest $0.0000 for any specific solar generator project selected by the Authority for the term of the Power Purchase Agreement.

At the end of every evaluation period, which will take place from time to time, the Authority will publish the amount that has been accepted in the Solar Communities FIT project in the Statement of Solar Communities Feed-in Tariff.

o) The enrollment target is set at 20 MW (AC rating). The Authority may at any time increase the enrollment target up to 30 MW (AC) at which time it will determine the changes to the Sloped Bid Price Cap and provide that information sixty (60) days prior to a quarterly evaluation period.

p) Generator Bidding Process for the Enrollment Period from 6/1/2020 to 9/30/2020

The Authority will solicit standardized bids from eligible Generation Projects between June 1, 2020 and September 30, 2020, inclusive. Bids must be submitted electronically to the Authority at the address shown on the Manager's website. The Manager is authorized to establish limitations on the size and format of applications or establish other restrictions as it deems appropriate for the operation of its website.

(1) The Authority will provide non-binding guidance with respect to estimates of available capacity to prospective bidders with regards to potential points of interconnection within the Authority's electric system through information posted on the Manager's website. Substations that are at or near their maximum injection capacity would necessitate extensive modification to incorporate the injection of new resources. The cost of all modifications shall be borne solely by the bidder.

(2) The bidder will specify the bidder's proposed capacity in AC rating to the nearest whole Watt, proposed connection point (including substation and circuit designation or interconnection point), and proposed fixed-price per kWh. Bidders may, but are not required to, specify alternative capacity amounts smaller than the proposed capacity. If a bidder is submitting multiple bids with identical price and capacity, the bidder will also specify a preferred priority order for such bids in the event that some but not all may be accepted under the evaluation process specified below.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Solar Communities Feed-in Tariff (continued):

(3) The Authority will not accept a bid whose fixed price exceeds $0.1649/kWh ("Maximum Price Cap"). A Generation Project's bid will be rejected as nonresponsive if the fixed price bid exceeds the Maximum Price Cap or if it is incomplete or otherwise not in conformance with the provisions of the Tariff.

(4) The Authority will evaluate the Generation Project's bids for responsiveness as they are received. For bids received prior to September 16, 2020, and if time allows, the Authority will attempt to inform the bidder in the event that a bid is deemed non-responsive or may be subject to additional interconnection costs. Notified bidders will be given the opportunity to remedy the deficiency by resubmitting the bid on or before September 30, 2020. The Authority does not guarantee that sufficient time will be afforded to the bidder for resubmittal.

(5) The Authority will evaluate bids as follows:

Step 1 Complete and responsive bids will be ranked in price order with the lowest bid price given the highest priority. Where multiple bids are received with the same bid price, the bid with the smaller capacity will be prioritized ahead of the bid with the larger capacity. Where multiple bids are received with the same bid price and the same capacity, priority will be given to the single highest priority ranked bid of each individual bidder among the group of bids with identical bid price and capacity. One bid per bidder with identical bid price and capacity in AC rating may be considered equal in priority, and will be evaluated as a single combined project for purposes of bid evaluation only.

Step 2 Bids will be reviewed by the Authority using the SGIP's preliminary screening process to determine if the Generation Project can be integrated into the system at that location based on the proposed size. If the Generation Project passes the preliminary screening at its proposed size or at a level above its minimum proposed size the project will be advanced for further evaluation at the highest level of capacity that satisfies the preliminary screening process. If the Generation Project fails the preliminary screening process it will be excluded from further evaluation and the excluded Solar Feed-in Tariff bid(s) will be added to the waiting list (see Section VIII.O.9.q).

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Solar Communities Feed-in Tariff (continued):

Step 3 Complete and responsive bids will be evaluated sequentially in order from highest priority to lowest priority as determined in Steps 1 and 2.

Step 4 Starting from the highest priority, the first bid will be accepted into the Solar Communities FIT for further consideration if it satisfies all three of the following conditions:

a) The bid capacity does not exceed 5 MW or the remaining available capacity for the substation as determined in Step 2; and

b) The bid capacity does not exceed the remaining available capacity for the circuit as determined in Step 2; and

c) The bid price is less than or equal to $0.1649 per kWh.

If the bid fail to satisfy one or more of the conditions above, the bid will not be accepted and will be removed from the evaluation process and added to the waiting list (see Section VIII.O.9.q below).

Step 5 Moving to the next highest priority bid, the amount of accepted capacity will be set to the accepted capacity of the first bid. The maximum bid price will be determined by evaluating the Sloped Bid Price Cap, as found in the Statement of Solar Communities Feed-in Tariff, at the point that reflects the acceptance of the first bid. The next highest priority bid will be accepted into the Solar Communities FIT for further consideration if it satisfies all of the following conditions:

a) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids proposing to interconnect to the same substation, does not exceed 10 MW or the remaining available capacity for the substation as determined in Step 2; and

b) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids proposing to interconnect to the same distribution circuit, does not exceed the remaining available capacity for the circuit as determined in Step 2; and

c) The bid price is less than or equal to the newly determined price cap based on prior accepted capacity; and

d) The total accepted bid capacity, including the particular bid being evaluated does not exceed the enrollment target (see Section VIII.O.9.o above) plus up to 2 MW more as required to accept the proposed capacity of the latest accepted bidder.

If the bid fails to satisfy one or more of the conditions above, the bid will not be accepted and will be removed from the evaluation process and added to the waiting list (see Section VIII.O.9.q below).

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Solar Communities Feed-in Tariff (continued):

Step 6 The same sequence of lowering the price cap to reflect the latest accepted bid and then moving to the next project on the priority list will continue until one of the following criteria have been met:

a) Accepted capacity meets or exceeds the enrollment target (see Section VIII.O.9.o above);
b) The bid price of the next highest priority project exceeds the price cap as determined based on total capacity from all of the previously accepted bids; or
c) No complete and responsive bids remain to be evaluated.

Step 7 A Power Purchase Agreement at the rate proposed in each bid will be offered to all successful bidders for a term of twenty (20) years. The terms of the Power Purchase Agreement are non-negotiable.

(6) Upon completion of Step 7 above, the Authority will notify solar generation project owners of their acceptance or non-acceptance into the Solar Communities FIT. Solar generation project owners with responsive bids that were not accepted will be placed on a waiting list unless the bidder requests otherwise in a written request to the Authority.

(7) Once notified of acceptance, solar generation projects then must apply within ten (10) business days for interconnection with the Authority's system under the SGIP and NYISO's Small Generator Interconnection Procedures, as applicable. Accepted Generation Projects will be expected to complete the interconnection process in accordance with the timelines in the SGIP and NYISO's Small Generator Interconnection Procedures, as applicable. The solar generation project owner shall be responsible for any and all interconnection and system upgrade costs.

(8) The Authority will apply the procedures in the SGIP and NYISO's Small Generator Interconnection Procedures, as applicable, to determine how long an applicant may take to complete the interconnection process before forfeiting its acceptance in the Solar Communities FIT.

(9) Requirements for the execution of the Power Purchase Agreement include:

a) Completion of the SGIP and NYISO Small Generator Interconnection Procedure, as applicable
b) Completion of the Interconnection Agreement
c) Demonstration of site control
d) Submission of a Certificate of Insurance

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Solar Communities Feed-in Tariff for Solar Photovoltaic Renewable Resources (continued):

q) Waiting List for the Enrollment Period from 10/1/2020 to 6/30/2022

The Authority will continue to accept applications from eligible solar generation projects until June 30, 2022. For the duration of this enrollment period, all responsive bids that have not been accepted into the Solar Communities FIT nor withdrawn by the Generation Project owner will be on the waiting list.

(1) In order to provide guidance to prospective applicants with regards to potential points of interconnection within the Authority's electric distribution system, remaining available capacity on specific distribution circuits and substations will be displayed on the Manager's website, and updated from time to time as circumstances warrant.

(2) At any time after the initial award of Power Purchase Agreements and before June 30, 2022, the Authority may offer a Power Purchase Agreement for a complete twenty (20) year term to projects on the waiting list that allow the Authority to achieve but not exceed the Authority's enrollment target.

(3) These subsequent enrollment periods will consist of quarterly evaluation periods ending March 31, June 30, September 30 and December 31, beginning after the initial award of Power Purchase Agreements on or before January 1, 2021 and continuing until June 30, 2022. The Authority will evaluate bids on the wait list after the conclusion of each quarterly evaluation period according to the same Steps 1, 2, 3, 5, 6 and 7 specified in Section VIII.O.9.p.5. The price cap for the highest priority bid in each evaluation period will be determined according to the definition in the Statement of Solar Communities Feed-in Tariff, evaluated for total capacity of accepted Generation Projects that have not withdrawn or forfeited acceptance in the Solar Communities FIT.

(4) Upon completion of any quarterly evaluation period, the Authority will notify successful Generation Project owners, if any, of their acceptance into the Solar Communities FIT. Solar generation project owners with wait list bids that were not accepted will remain on the wait list unless the bidder requests otherwise in a written request to the Authority.

(5) Applicants in the waiting list will be evaluated for remaining available capacity on the designated circuit and substation. Applicants that exceed the remaining available capacity on a given circuit or substation will be removed from consideration, but may remain in the waiting list. In the event that multiple applicants propose to interconnect to the same circuit or substation leading to an exceedance of available capacity, the applicants will be evaluated in priority order to determine which applicants are removed from consideration.

An applicant subject to the SGIP, that fails the SGIP preliminary screen may request that the Authority complete, at the applicant's expense, the appropriate interconnection study required by the SGIP. If the SGIP interconnection review process concludes that the project can be interconnected to the system it will be advanced for further evaluation on the Solar Communities FIT waiting list. Projects applying for interconnection above 13kV should follow the NYISO Small Generator Interconnection Procedures process.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)

Solar Communities Feed-in Tariff (continued):

(6) Once notified of acceptance from the Solar Communities FIT wait list, solar generation projects then must apply within ten (10) business days for interconnection with the Authority's system under the SGIP and NYISO's Small Generator Interconnection Procedures, as applicable. Accepted solar generation projects will be expected to complete the interconnection process in accordance with the timelines in the SGIP and NYISO's Small Generator Interconnection Procedures, as applicable. The Generation Project owner shall be responsible for any and all interconnection and system upgrade costs.

c) Without waiving or limiting any other rights of the Authority, the Authority reserves the right to withdraw its acceptance of a Generation Project into the Solar Communities FIT in the event that: 1) a solar generation project with an expected rated capacity of 200 kW to 1 MW fails to demonstrate site control within six (6) months following the date on which a Power Purchase Agreement is offered to such solar generation project in accordance with Step 7 in Section VIII.O.9.p.5; 2) a solar generation project with an expected rated capacity greater than 1 MW fails to demonstrate site control within twelve (12) months following the date on which a Power Purchase Agreement is offered to such solar generation project in accordance with Step 7 in Section VIII.O.9.p.5; or 3) a solar generation project fails to comply with the Tariff, the SGIP, NYISO's Small Generator Interconnection Procedures, as applicable, or the Interconnection Agreement.

d) Solar generation projects in active consideration during the evaluation process will be considered to have priority over any projects submitted to the SGIP process after September 30, 2020 until such time as solar generation projects are notified of acceptance and are afforded the ten (10) days to submit their applications into the SGIP process.

e) The application fee is the higher of (a) one thousand dollars ($1,000); or (b) one dollar ($1) per kilowatt capacity (AC rating) of the proposed project, to be submitted at the time of application by certified check made payable to PSEG Long Island. The fee is non-refundable.

f) The application fee will be waived for previously rejected Solar Communities FIT applications that are resubmitted with no modifications other than price.

g) The Authority reserves the right, in its sole discretion, to reject and/or cancel any and all applications and/or bids, including those that have been accepted into the Solar Communities FIT following Step 7 in Section VIII.O.9.p.5, at any time prior to the execution of both the Power Purchase Agreement and Interconnection Agreement by all parties for any reason.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)

10. Rates and Charges

a) Charges to be paid by the Customer to the Authority

(1) Customer Charge and Buyback Contract Demand Charge

The customer will be required to pay a Customer Charge (per month) and a Buyback Contract Demand Charge (per kW per month) based on the customer's otherwise applicable service classification for delivery service, however, if service is taken by the customer under both SC-11 and another service classification of this Tariff through the same service connection then:

(a) The Customer Charge will be waived under SC-11; and

(b) The Buyback Contract Demand Charge under SC-11 shall apply only to the Buyback Contract Demand in excess of the Contract Demand billed under SC-12, or the Buyback Contract Demand in excess of the demand billed under another service classification of this Tariff.

(c) Stand-alone Energy Storage Systems that reach Step 3 in the SGIP process before December 31, 2030 will be exempt from Buyback Contract Demand Charges for a period of 15 years beginning on the project's in-service date.

Otherwise Applicable Service Classification	Customer Charge (per month)	Buyback Contract Demand Charge (per kW/month)
SC1	n/a	$0.26
SC2	n/a	$0.26
SC2L	n/a	$0.19
SC2 MRP Secondary	n/a	$0.11
SC2 MRP Primary	n/a	$0.06
SC2 MRP Transmission	n/a	$0.05

(d) If a Customer has as-used energy or as-used demand charges, the Customer will pay those charges under their otherwise applicable rate class as described in O.10.a.1.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Rates and Charges (continued):

(2) Determination of Buyback Contract Demand

The Buyback Contract Demand shall be determined by the amount of load delivered to the Authority system in excess of the Contract Demand billed under SC-12, or the Buyback Contract Demand in excess of the demand billed under another service classification. This will initially be set based on the load specified in the customer's request for service application (expressed in kW), unless and until a higher maximum demand is created by the customer, in which case such higher maximum demand shall become the Buyback Contract Demand for that month and thereafter unless and until exceeded by a still higher maximum demand, which in turn shall likewise be subject to the foregoing conditions. However, if a customer requests a reduction in the Buyback Contract Demand and the Authority does not reject the request, the demand history prior to the reduction will not be considered in determining the Buyback Contract Demand for subsequent months.

The customer may not request or receive a reduction in the Buyback Contract Demand more than one-time in a 365-day period or 365 days from any increase in the Buyback Contract Demand. In the event a customer's Buyback Contract Demand is set by a customer's load letter or a customer's request to reduce its Buyback Contract Demand and thereafter the recorded maximum demand at any time exceeds the customer's Buyback Contract demand by: (i) 20% or greater, a penalty equal to the product of 24 times the Buyback Contract Demand rate times the demand in excess of the Buyback Contract Demand shall apply; (ii) 10% or greater but less than 20%, then a penalty equal to the product of 18 times the Buyback Contract Demand Rate and the demand in excess of the Buyback Contract Demand shall apply; and (iii) less than 10%, then a penalty equal to the product of 12 times the Buyback Contract Demand rate and the demand in excess of the Buyback Contract Demand shall apply.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Rates and Charges (continued):

(3) Adjustments to Rates and Charges

Each Customer's bill will be increased by the Increases in Rates and Charges to Recover PILOT Payments.

(4) Interconnection Charges

Interconnection Charges are for costs, not recovered 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 reimburse the Authority the full cost, including overheads, of installing interconnection equipment when the equipment is originally installed. The Authority will also charge an application fee of three hundred and fifty dollars ($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.

(5) Maintenance Charges for Interconnection Equipment

The Maintenance Charges for Interconnection Equipment will be as follows:

(a) The Authority will maintain interconnection equipment installed on its Property. A Customer with more than 5,000 kW of generating capacity will pay an annual charge of 8.1% based on the total investment in the interconnection equipment.

(b) 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 8.1% of the total investment in the interconnection equipment, or

(2) 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.

(c) Interconnection equipment installed by the Customer and in accordance with the Authority’s specifications shall be maintained by the Customer at the Customer’s cost.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Rates and Charges (continued):

(6) Replacement Costs

Commercial Customers shall pay the Replacement Costs, less net salvage, when equipment covered in the Customer's Interconnection Charge needs to be replaced.

(7) Dispute Resolution

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

(8) Terms of Payment by the Customer

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.

(9) Term of Service

The Authority will provide service to the Customer for at least one (1) year from the start of service, unless service is terminated by thirty (30) days written notice by either party.

(a) The Authority may terminate service to the Customer in accordance with the provisions of the Tariff, and

(b) The Authority may require the Customer to agree to provide Buyback Energy for a longer term, depending on the Authority's investment or other unusual conditions related to the service.

(10) Special Provisions

(a) If the Customer terminates service under this Service Classification and then, within one (1) year, resumes service under this Service Classification, the Authority will computer the bills for Contract Capacity as if the Customer had not terminated service.

(b) The Customer may, with thirty (30) days written notice to the Authority, reduce its total measured energy output. In that case, when needed, the Authority will assume that the energy is made proportionately, to establish delivery patterns for the period in which the energy delivery is reduced.

VIII.SERVICE CLASSIFICATIONS (continued):

O. SERVICE CLASSIFICATION NO. 11 - Buyback Service (continued):
(Rate Code: 289)
Rates and Charges (continued):

(c) Small (7 kW or less) suppliers of energy (such as windmills) who take service under another Service Classification may choose to pay for the installation of the necessary distribution equipment at the time of installation, instead of paying the Service and Contract-Demand Charges under this Service Classification.

(d) 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.

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

(2) The Customer has filed a complaint following the complaint procedures in the 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.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service:
(Rate Codes: 179, 680, 682)

1. Who Is Eligible

This Service Classification (SC-12) is applicable to Customers meeting the requirements of (a) through (d) below ("Standby Service Customers") and Customers meeting the requirements of (e) through (f) below ("Optional Rate Customers"):

Standby Service

a) Customers who have generation installed on their site, whether the generation equipment is owned by the customer or a third party; or

b) Customers who are directly interconnected with a Generator, as defined as a company whose primary business is the production of electricity;

c) Generators who require service from the Authority when their own electric generating equipment is not sufficient to meet their own load; or

d) Customers with on-site generation compensated under Value Stack, that meet the requirements for compensation, and that are not otherwise exempt in accordance with Section P.4 of this SC-12.

Optional Rate Service

e) Customers that opt into SC-12, who do not otherwise meet the requirements of Standby Service ("Optional Rate Customers"). Any customer may opt into SC-12 with the exception of SC-5, SC-7, SC-10, SC-13 customers, unmetered customers and non-AMI metered customers. Optional Rate Customers can switch back to applicable non-Standby rates available to them at any time, however, to avoid customers switching to take advantage of seasonal fluctuations in rate design, Optional Rate Customers that switch back to a non-time-varying flat rate will not be allowed on Standby rates or other time-varying rate code for a period of not less than one year.

f) Customers on ReCharge NY service will be assigned to Rate 680 and cannot opt-in to Standby Rates.

g) More specifically, Standby Service shall apply to:

(1) Customers with on-site generation serving load that is not isolated from the grid;

(2) Generators that rely on the Authority to serve electric loads that would otherwise be served by the generator such as station power used for the heating, lighting, air-conditioning, and office equipment needs of the buildings housing the generator and associated support facilities located on a generating facility's site, and/or to facilitate the re-starting of the generator following an outage. Standby rates will also apply to Generators that take station power through the same bus bar as they supply the grid.

h) For Standby Service Customers, the Parent Service Classification shall be defined based upon the applicable Contract Demand at the delivery point (as initially calculated by the Authority).

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Who Is Eligible (continued)

i) Same Bus Bar
"Same Bus Bar" is defined as a common electrical point of interconnection on the same physical bus bar structure located at one substation of the utility and an individual customer's system at the single voltage level at which the customer takes service. This common point of interconnection may include up to one load serving connection, or tap, (such tap is in addition to the single point of delivery service from the generating customer to the Authority's delivery system being metered), from a single physical bus bar (one tap must be connecting the customer's generation output to the bus and a second tap must be connecting the customer's electric service to the bus) located at an Authority substation. The customer's generation must be on a single unitary tract of land; adjoining and abutting the land upon which the Authority substation is located and the points of delivery and receipt must not be more than 500' apart. The presence of Authority equipment, including but not limited to switches, fuses, transformers, and circuit breakers, between the point(s) of delivery is not considered Same Bus Bar.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Who Is Eligible (continued)

2. Definitions

Standby Rates will be optional for Full Requirements Customers receiving service under the following Service Classifications. The terms and conditions of the Parent Service Classifications apply unless modified in Service Classification 12.

a) **SERVICE CLASSIFICATION NO. 1 – Residential Service:**
   (1) Service Classification No. 1 (Rate Codes: 180, 194, 195, 580)
   (2) Service Classification No. 1-VTOU (Rate Codes: 190, 191, 192, 193)

b) **SERVICE CLASSIFICATION NO. 2- General Service - Small:**
   (1) Service Classification No. 2 (Rate Code: 280)
   (2) Service Classification No. 2-VMRP (Rate Code: 292)

c) **SERVICE CLASSIFICATION NO. 2-L – General Service - Large:**
   (1) Service Classification No. 2-L (Rate Codes: 281, 283, 291)
   (2) Service Classification No. 2L-VMRP (Rate Codes: 294)

d) **SERVICE CLASSIFICATION NO. 2 – MRP – Large General and Industrial Service With Multiple Rate Periods:**
   (1) Service Classification No. 2-MRP (Rate Codes: 284, 285, M284, M285) – Secondary Voltage
   (2) Service Classification No. 2-MRP (Rate Codes: 284, 285, M284, M285) – Primary Voltage
   (3) Service Classification No. 2-MRP (Rate Codes: 284, 285, M284, M285) – Transmission Voltage

3. 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 2,400/4,160, 7,620/13,200 volts depending on the size and characteristics of the load and the circuit supplying the service.
d) Radial Sub/Transmission service at approximately 24,000 volts or higher depending on the size and characteristics of the load and the circuit supplying the service.
e) The Primary Rate will apply to Radial primary service. The Sub/Transmission Rate will apply to Radial transmission service.
f) For Optional Standby Customers, service must comply with parent Service Classification based on the otherwise applicable Rate Code.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)

4. Exemptions From SC-12

The following customers shall not be subject to SC-12, but shall be served under the customer's otherwise applicable service classification unless Customers make a one-time irrevocable election to forfeit or refuse the exemption and join the Standby Rate or the in progress Phase-In period of Standby Rates, identified in SC-12.14.g if still applicable. Customers that qualify for the Environmentally Advantageous Technologies ("EAT") Exemption and that request a one-time irrevocable election to join Standby Rates or the in progress Phase-In period for Standby Rates if still applicable, will make the request by providing thirty (30) days written notice to the Authority before commencing operation of the OSG.

a) Small Generators
Customers with a nameplate aggregate generator(s) 5 kVA or smaller that may run in parallel with the LIPA system.

b) Customers with On-Site Generators ("OSG") Less than or Equal to 15% of Maximum Potential Demand as identified in SC-12.14.e.

c) Environmentally Advantageous Technologies ("EAT") Exemptions
Customers who install OSG that are:

(1) Solar thermal;
(2) Solar photovoltaic;
(3) Onshore and offshore wind;
(4) Hydroelectric;
(5) Geothermal electric;
(6) Geothermal ground source heat;
(7) Tidal energy;
(8) Wave energy;
(9) Ocean thermal;
(10) Hybrid Solar and Battery Facilities
(11) Fuel cells which do not utilize a fossil fuel resource in the process of generating electricity. Fuel cells are permitted to utilize biomass, biogas, or hydrogen, provided that the manufacture or production of such fuels does not include the combustion or electrolysis of fossil fuels or non-renewable grid power in the conversion process.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Exemptions from SC-12 (continued)

(12)Small, efficient types of combined heat and power ("CHP") generation that do not exceed 1 MW of capacity and meet the following criteria:
- (i) Annual overall thermal and electrical energy efficiency should not be less than 60% based on the higher heating value ("HHV") of the fuel input;
- (ii) The usable thermal energy component should absorb a minimum of 20% of the CHP facility's total usable annual energy output;
- (iii) The OSG capacity shall be determined by aggregating the nameplate ratings of the generation units, installed at its location, excluding emergency generation units used only during a utility distribution system failure or in response to the NYISO Emergency Demand Response Program; and
- (iv) An eligible CHP facility shall demonstrate to the Authority that its generation installation meets an environmental standard of no more than 1.4 lbs./MWh of NOx emissions based on its electrical and mechanical output or its rated capacity. Units that have completed a Coordinated Electric System Interconnection Review ("CESIR") by April 1, 2018 will be subject to the previously applicable standard of no more than 4.4 lbs./MWh of NOx emissions.
- (v) The CHP facility must be placed in service before May 31, 2021.
- (vi) Customers shall comply with the above criteria and in addition:
  1. Monitor and record efficiency data, which shall include the annual quantity of fuel fired, the annual quantity of generated electricity, and the annual quantity of the thermal heat recovered in the heat recovery process;
  2. Have records available for Authority inspection; and
  3. Retain the records for a 3-year period.

(13)Energy Storage technologies with inverter capability of up to 1 MW. However, customers who install energy storage systems to help manage the demand of EV charging load, with said energy storage systems having inverter capability greater than 1 MW and less than or equal to the sum of nameplate EV charging capability, are also exempt provided that such installations meet all other applicable interconnection and standby service requirements.

Customers qualifying for the EAT Exemption shall comply with all of the following requirements:
- (i) The OSG is connected to the Customer's electric system using an automated or manual transfer switch or the electrical equivalent of such a switch approved by the Authority.
- (ii) The customer executes, and the Authority accepts, an Application for Electric Standby Service as required under the special provisions of the applicable Service Classification for all generators on the premises. The Customer shall state its intended use of the OSG facilities on the Application for Electric Standby Service in the blank spaces provided for special conditions.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Exemptions from SC-12 (continued)

In the event the Customer fails to comply with provisions (i) through (ii) above, the Authority shall have the following rights: To bill the customer Standby Service rates for those amounts of total Electric Service which the Authority reasonably estimated were received by the Customer during times when Electric Service from the Authority was available to the Customer.

c) Emergency Generators

Customers who install or have installed an emergency power system may be exempted from the requirement of service under this SC-12 if the OSG meet the following requirements:

(1) The Emergency OSG is not capable of being operated in parallel with the Authority's system other than for closed-transition transfer switching where the term "closed-transition transfer" is characterized as a momentary make-before-break switching sequence;
(2) The Emergency OSG is connected to the customer's electric system using an automated or manual transfer switch or the electrical equivalent of such a switch approved by the Authority;
(3) The Emergency OSG is used exclusively for purposes of emergency power system;

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Exemptions from SC-12 (continued):
Emergency Generators (continued):

(4) No load may be served by Emergency OSG while Electric Service is being provided by the Authority to the premises except:
  (i) For the periods of time as required by statute or regulation, and
  (ii) In the absence of a statutory or regulatory requirement, such times so as to adequately test such systems, not to exceed 10 hours per month or as otherwise agreed to by the Authority; and
  (iii) For periods of time called by the NYISO for Emergency Demand Response (EDR) or ICAP (UCAP).

(5) The customer shall maintain an operating log for each Emergency OSG indicating the date, time, hours, and purpose of each operation of each such facility. This log shall be made available to the Authority upon request. If the customer fails to maintain this log or to provide it to the Authority on request, the Authority shall have the following rights:
  (i) To bill the customer for those amounts of Electric Service which the Authority reasonably estimated were inappropriately supplied by the customer's generator during times when Electric Service from the Authority was available to the customer; and
  (ii) In all cases, the customer shall remain obligated to execute and have the Authority accept a Standby Service Application as applicable under the special provisions of the applicable service classification for all Emergency Generators on the premises. The customer shall state its intended use of the OSG facilities on the Standby Service Application in the blank spaces provided for special conditions.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)

5. Application for Service

Standby Service:

Customers with on-site generation that will run in parallel with the LIPA system must apply for service by providing the Authority with an executed Standby Service Application and SGIP, both of which are available on the Authority's website or from an Authority representative.

Customers operating an OSG unit less than 10 MW and connected for parallel operation with the service of the Authority may apply for service using the SGIP, also available from Authority representatives. Customers in excess of 10 MW, that also have an OSG, must execute an Interconnection Agreement with the Authority.

Optional Rate Service:

Eligible customers must apply for service with the Authority.

6. Billing Parameters

Customers served under this service classification shall be billed according to the following parameters:

Customer Service Charge: a charge for customer-related services.

Contract Demand Charge: a reservation charge for the use of the Authority's local distribution system.

As Used Peak Daily Demand Charge: a daily usage demand charge for the maximum use of the Authority's delivery system during on-peak hours (as defined in the Determination of Contract Demand section of SC12).

As Used Off-peak Daily Demand Charge: a daily usage demand charge for the maximum use of the Authority's delivery system during peak hours (as defined in the Determination of Contract Demand section of SC12).

Power Supply Charge: a charge for the electricity supply service (Commodity) provided to the customer.

Surcharges and Adjustments: a set of itemized charges for specific adjustments as provided under the otherwise applicable service classification.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)

7. Rates and Charges

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. Customers on ReCharge NY program 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.

Applicable Rates and Charges: Standby Service Customers and Optional Rate Service Customers will be subject to the following SC 12 rates in accordance with their Parent Service Classification if a Standby Service Customer and their otherwise applicable service classification if an Optional Rate Service Customer.

a) Rate Code B1179: Parent Service Classification No. 1 – Residential Service

MONTHLY RATE:	
Service Charge Per Day:	$0.56
Contract Demand Charges, per kW:	
Delivery for SC-12 Customers	$0.26
As Used Off-Peak Daily Demand Charges, per kW:	
Delivery for SC-12 Customers	$0.95
As Used Peak Daily Demand Charges, per kW:	
Delivery for SC-12 Customers	$1.57

SC-12 customers billed under Parent Service Classification No. SC-1 rates shall have the determination of their Contract Demand (kW) and As Used Daily Demand (kW) based on a 60-minute integrated metered demand, which shall be determined as the sum of the four 15-minute intervals in an hour.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Rates and Charges (continued)

b) Rate Code B1682: Parent Service Classification No. 2- General Service - Small

MONTHLY RATE:

Service Charge Per Day:	$0.56
Contract Demand Charges, per kW:	
Delivery for SC-12 Customers	$0.26
As Used Off-Peak Daily Demand Charges, per kW:	
Delivery for SC-12 Customers	$1.26
As Used Peak Daily Demand Charges, per kW:	
Delivery for SC-12 Customers	$2.14

Rate Code P1682: Phase-In Charges for Parent SC-2 Small

Delivery Charges will be calculated as identified in SC-12.14.g. Customer who elect to receive Phase-In Charges will do so based on the current delivery rates under Parent Service Class Rate 280.

SC-12 customers billed under Parent Service Classification SC-2 Small rates shall have the determination of their Contract Demand (kW) and As Used Daily Demand (kW) based on a 60-minute integrated metered demand, which shall be determined as the sum of the four 15-minute intervals in an hour.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Rates and Charges (continued)

c) Rate Code B2682: Parent Service Classification No. 2-L – General Service - Large

MONTHLY RATE:

Service Charge Per Day:	$2.92
Contract Demand Charges, per kW:	
Delivery for SC-12 Customers	$0.19
As Used Off-Peak Daily Demand Charges, per kW:	
Delivery for SC-12 Customers	$0.81
As Used Peak Daily Demand Charges, per kW:	
Delivery for SC-12 Customers	$1.20

Rate Code P2682: Phase-In Charges for Parent SC 2-L

Delivery Charges will be calculated as identified in SC-12.14.g. Customer who elect to receive Phase-In Charges will do so based on the current delivery rates under Parent Service Class Rate 281.

SC-12 customers billed under Parent Service Classification No. SC 2-L rates shall have the determination of their Contract Demand (kW) and As Used Daily Demand (kW) based on a 15-minute integrated metered demand.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Rates and Charges (continued)

d) **Rate Code B3682/B4682: Parent Service Classification No. 2 – MRP – Large General and Industrial Service With Multiple Rate Periods (Secondary and Primary)**

MONTHLY RATES: Delivery Voltage	(B4682) Secondary	(B3682) Primary
Service Charge Per Day:	$3.83	$5.20
Contract Demand Charges, per kW: Delivery for SC-12 Customers	$0.11	$0.06
As Used Off-Peak Daily Demand Charges, per kW: Delivery for SC-12 Customers	$0.95	$0.83
As Used Peak Daily Demand Charges, per kW: Delivery for SC-12 Customers	$1.30	$1.21

Rate Code P3682/P4682: Phase-In Charges for Parent SC 2-MRP (Secondary & Primary)

Delivery Charges will be calculated as identified in SC-12.14.g. Customer who elect to receive Phase-In Charges will do so based on the current delivery rates under Parent Service Class Rate 285 Secondary or Rate 285 Primary depending on voltage level they are interconnected.

SC-12 customers billed under Parent Service Classification No. SC 2-MRP rates shall have the determination of their Contract Demand (kW) and As Used Daily Demand (kW) based on a 15-minute integrated metered demand.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Rates and Charges (continued)

e) **Rate Code B5682: Parent Service Classification No. 2 – MRP – Large General and Industrial Service With Multiple Rate Periods (Transmission)**

MONTHLY RATES:	
Delivery Voltage	Transmission
Service Charge Per Day:	$5.20
Contract Demand Charges, per kW:	
Delivery for SC-12 Customers	$0.05
As Used Off-Peak Daily Demand Charges, per kW:	
Delivery for SC-12 Customers	$0.69
As Used Peak Daily Demand Charges, per kW:	
Delivery for SC-12 Customers	$1.17

Rate Code P5682: Phase-In Charges for Parent SC 2-MRP (Transmission)

Delivery Charges will be calculated as identified in SC-12.14.g. Customer who elect to receive Phase-In Charges will do so based on the current delivery rates under Parent Service Class Rate 285 Transmission.

e) **Rate Code P6682: Phase-In Charges for Customers Previously on Closed Rate 681 (Transmission)**

Delivery Charges will be calculated as identified in SC-12.14.g. Customers who elect to receive Phase-In Charges will do so based on the current delivery rates under Parent Service Class Rate 285 Transmission but will have zero demand charges and energy charges identified for Previously Closed Rate 681 as updated on a pro-rata percentage basis with Rate 285 Transmission.

	Previously Closed Rate 681 Periods*		
	1 Midnight to 7 a.m. all year	2 June - Sept., except Sunday, 10 a.m. to 10 p.m.	3 All remaining hours
Transmission	$ 0.0001	$ 0.2850	$ 0.0364

SC-12 customers billed under Parent Service Classification No. SC 2-MRP (Transmission) rates shall have the determination of their Contract Demand (kW) and As Used Daily Demand (kW) based on a 15-minute integrated metered demand.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)

8. 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 Merchant Function Charge, the New York State Assessment Factor, the Securitization Offset Charge, and the Delivery Service Adjustment.

Each Customer that qualifies for Rate 285-Primary or Rate 285-Transmission will not be billed the Power Supply Charge. Such customers will be billed Hourly Market Power Supply charges based on the NYISO Day ahead market: Average Monthly Energy Component (based on published day ahead NYISO Hourly Zone K LBMP energy prices); plus

Capacity Charges based on customer's individually assigned capacity tag (kW) times the NYISO Zone K Monthly Capacity Market Price; plus

The monthly local power supply charge.

9. 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.

10. Term of Service

a) The Authority will provide service to the Customer for at least one (1) year and until the service is terminated 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.

d) The Authority may require the Customer to take service at rates effective for a longer term because of the investment required or other unusual conditions related to the service.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)

11 Determination of Contract Demand

a) Contract Demand for Standby Service Customers

Contract Demand shall initially be set at the maximum anticipated demand of the customer including any load that is not isolated referenced in the Standby Service Application and determined as the greater of the following and the Authority shall inform the customer of the resultant contract demand ten (10) days prior to the next billing cycle:

(1) the maximum demand from the Authority's system over the previous 12-months, or
(2) the customer's maximum load supplied by all sources including the OSG and Authority's supply system over the previous 12-months.

In the case of a new customer (i.e., a customer for whom historical consumption data does not exist), the Contract Demand shall be the maximum anticipated demand of load consumed as prescribed in the customer's load letter.

The Contract Demand shall automatically be increased to the highest measured demand in any billing period during the term hereunder.

The Contract Demand of a Generator who is connected to a customer which would otherwise be served directly by the Authority shall be set at the maximum potential demand of the station power of the Generator when the generator is out of service plus the maximum potential demand of the customer.

The Contract Demand may be increased based upon a written notice by the customer to the Authority at any time.

The Contract Demand as determined above may be reduced based upon a written request by the customer to the Authority. Contract Demand requests may be made no more than one time in a 365-day period and/or 365 days from any increase or ratchet in Contract Demand. In the event the customer's Contract Demand request is accepted by the Authority and the Contract Demand is reduced; if thereafter the recorded maximum demand at any time exceeds the customer's requested Contract Demand: (i) by 20% or greater than a penalty equal to the product of 24 times the Contract Demand rate times the demand in excess of the Contract Demand shall apply, (ii) by 10% or greater, but less than 20%, then a penalty equal to the product of 18 times the Contract Demand rate times the demand in excess of the Contract Demand shall apply, (iii) by less than 10% then a penalty equal to the product of 12 times the Contract Demand rate times the demand in excess of the Contract Demand shall apply.

Seasonal or other temporary fluctuations in load of the customer's existing facilities such as heating and air conditioning, and temporary reductions in manufacturing shall not qualify for reductions in the Contract Demand.

The effective date of the revised Contract Demand shall be the next billing cycle following the Authority's receipt of the customer's written notice provided such notice is received 10 business days prior to the first day of the next billing cycle.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Determination of Contract Demand (continued)

b) Contract Demand for Optional Rate Customers

Contract Demand will be established initially as the customer's maximum measured demand during the first billing period. Thereafter, the Contract Demand shall automatically be increased to the highest measured demand in any billing period during the term hereunder. In the event the customer has installed energy efficient equipment or has altered the operation of their service such that the maximum potential demand at the premise is less than the Contract Demand, the customer may request a reconsideration of the Contract Demand by the Authority. Any reduction of the Contract Demand will be at the Authority's discretion.

c) As Used Off-Peak Daily Demand

The As-Used Off-peak Daily Demand shall be the aggregate of the highest daily 15-minute integrated demand (measured in kW) occurring during the off-peak hours of each day during the billing period, except for customers of parent service classification is SC-1 or SC-2 Small non-demand it shall be the aggregate of the highest 60-minute integrated demand (measured in kW) during the off-peak hours of each day during the billing period.

Off-Peak hours are defined as follows: During the months of October through May, for the hours between 8:00am and 10:00pm, daily. During the months of June through September, for the hours between 8:00 am and 3:00 pm and 7:00 pm through 10:00 pm, Mondays through Fridays, and 8:00 am through 10:00 pm, Saturdays, Sundays and Federal Holidays.

d) As Used Peak Daily Demand

The As-Used Peak Daily Demand shall be the aggregate of the highest daily 15-minute integrated demand (measured in kW) occurring during the peak hours of each day during the billing period, except for customers of parent service classification is SC-1 or SC-2 Small non-demand it shall be the aggregate of the highest 60-minute integrated demand (measured in kW) during the peak hours of each day during the billing period.

Peak hours are defined as follows: During the months of June through September, for the hours between 3:00pm and 7:00pm, Mondays through Fridays, excluding Federal Holidays.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)

12. Interconnection Requirements

a) 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.

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

c) The Customer has filed a complaint following the Consumer Complaint Procedures in Section VI of the Tariff. 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.

d) The facility may be connected for parallel operation with the service of the Authority, or isolated for operation with Standby Service provided by a Wholesale Generator by means of a double throw transfer switch or transfer switching scheme acceptable to the Authority.

e) Customers with an OSG and connected for parallel operation with the service of the Authority are required to execute an IA with the Authority. Customers having an OSG in aggregate with other OSGs of less than 10 MW are eligible to apply the service using the SGIP. Customers without an OSG are not required to execute an IA with the Authority. All other customers must execute an Interconnection Agreement, available from Authority representatives.

13. Metering and Communications

Interval Metering

Standby Service Customers and Optional Rate Customers must have interval metering (AMI or MV90) and may not opt out of AMI interval meters.

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VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)

14. Special Provisions

a) Contract Demands Larger than 1,000 kW

All Standby Service Customers with Contract Demands greater than 1,000 kW applying for Service under this Service Classification are required to provide the Authority with an annual schedule of OSG maintenance by October of the preceding year for each subsequent year. This schedule will be provided at the time of subscription to this Service Classification and will be utilized for planning functions. Schedules must include starting and ending times for all planned outages. Customers will be allowed to update their schedules one month prior to their effective dates. After this time has passed, no modifications will be allowed to the schedules, unless Authority approval is granted. This provision does not take precedence with respect to any OSG maintenance provision in a power purchase agreement which may be in place with the Authority.

b) Compliance with Reliability Criteria

Standby Service Customers agree to comply with any existing or future criteria, guidelines, and procedures established by the North American Electric Reliability Council (or its successor) to ensure the continued reliability of North America's interconnected secured transmission electric systems.

c) Electrically Isolated Loads

(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 any additional metering costs.

(3) The Customer may choose to have the Authority use its estimating procedure to determine the separation of energy and demand between the Standby Service.

(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 PSL 66-j or 66-l may choose, once in every 12-month period, to make its purchases of energy and demand for Standby Service at rates either:
(i) Under this Service Classification, or
(ii) 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.

(5) Submetering may be available under certain conditions, as specified in this Tariff.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Special Provisions (continued)

d) Penalties for Reconnecting Isolated Loads without Notice

Notwithstanding any other provision of this Tariff, in the event that the customer connects on-site generation to its electric system without: (1) notifying the Authority; and (2) executing the Application for Electric Standby Service, and in the event that the Authority thereafter discovers that fact, the Authority shall backbill the customer for all service rendered subsequent to the estimated installation of such on-site generation.

In preparing such backbill, the Authority shall assess a Contract Demand Penalty Provision equal to 2 times that which would otherwise be computed under Determination of Demand Provision of SC-12 and assume the Contract Demand had been set at 0 kW. If the customer fails to pay the undisputed portion of any such backbill within the time for payment of bills established in SC-12, the Authority shall be authorized to exercise all of its rights in cases involving theft of service under this Tariff.

e) Billing for Customers with OSGs Less than or Equal to Fifteen Percent (15%) of Maximum Potential Demand

Standby Service Customers that install an OSG with a total nameplate rating that is fifteen percent (15%) or less of their maximum potential demand over the previous twelve (12) months shall be subject to the delivery charges of their otherwise applicable service classification and shall not be subject to Standby Rates.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Special Provisions (continued)

f) Billing for Customers with Excelsior Jobs Program ("EJP") Load Not Separately Metered

(1) Only customers billed at commercial rates are eligible to participate in the EJP program.
(2) Special Provision E of SC-12 shall not apply to customers with EJP load.
(3) The customer's EJP demand and energy available for the EJP discount in each billing period shall be determined in accordance with Section VII.E.5.e for EJP. Customer shall be subject to all rates and charges applicable to the Excelsior Jobs Program as provided in Section VII.E.5.
(4) Customer shall be subject to all charges provided in SC-12. The billing determinants for customers with EJP qualifying load shall be determined as provided herein.
   (i) **Contract Demand:** The Contract Demand shall initially be set by the Authority as the maximum value of the Customer's monthly base year contract load in kilowatts specified in the signed EJP contract between the Authority and the Customer. The Contract Demand will be automatically increased to the maximum kilowatt demand in a billing period when the maximum kilowatt demand in the billing period exceeds the Contract Demand in that billing period. The maximum kilowatt demand in a billing period shall be calculated by subtracting the EJP incremental demand available for the EJP discount as determined for EJP from the metered billing demand (i.e., customer's load net of generation) on an interval-by-interval basis. The demand shall not be less than zero (0) in any interval. The customer may elect to increase or reduce the Standby Contract Demand thereafter in accordance with the Determination of Contract Demand provisions of SC-12.
   (ii) **As-Used Daily Demand**: The As-Used Daily Demand shall be the As-Used Daily Demand as specified in Determination of As-Used Daily Demand provisions of this SC for both As-Used On-peak Daily Demand and As Used Super-peak Daily Demand, less the product of the demand eligible for the EJP discount in the billing period and the number of on-peak or off-peak days in the billing period, as applicable.
   (iii) **Billing Energy**: Billing Energy in kilowatt-hours for the purposes of applying the Electricity Supply Service and Surcharges and Adjustments provisions of SC-12 shall be calculated by subtracting the EJP incremental energy available for the EJP discounts from the metered billing energy (i.e., customer's load net of generation) on an interval-by-interval basis. The Billing Energy shall not be less than zero (0) in any interval.

VIII. SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12
Standby Service and Optional Rate Service (continued):
(Rate Codes: 179, 680, 682)
Special Provisions (continued)

g) SC-12 Phase-In Customers

Existing customers prior to December 1, 2025 may elect to be billed the SC-12 Phase-In Standby Rate delivery charges beginning January 1, 2026 ("Phase-In Customers"). Phase-In Customers may opt out of the Phase-In delivery charges at any time and be billed SC-12 Standby Rate delivery charges by providing written notice to the Authority, with such transition to SC-12 Standby Rate delivery charges occurring in the next billing period thirty days after notice is provided. Once a customer opts out of the SC-12 Phase-In Standby Rate delivery charges, they may not return to as a Phase-In-Customer. So long as the Phase-In is still in effect, the EAT exempt Customers may choose waive their EAT exemption and join the Phase-In Standby Rate already in progress.

The Phase-In period will be a fixed (i.e. will not vary by customer) time period that will begin January 1, 2026 (Phase-In Year 1) until December 31, 2030, when the Phase-In Period will end for all customers. A Phase-In Year is defined as January 1st until December 31st.

Delivery Rates for a Phase-In Year will be calculated as the delta to a Customer's Parent Service Classification rate vs their applicable Standby Rate with the following formulas:

Phase-In Year 1 (2026): Parent Service Class Delivery Rate Revenue + (Standby Delivery Rate Revenue –Parent Service Class Delivery Rate Revenue)/6

Phase-In Year 2 (2027): Parent Service Class Delivery Rate Revenue + (Standby Delivery Rate Revenue –Parent Service Class Delivery Rate Revenue)*2/6

Phase-In Year 3 (2028): Parent Service Class Delivery Rate Revenue + (Standby Delivery Rate Revenue –Parent Service Class Delivery Rate Revenue)*3/6

Phase-In Year 4 (2029): Parent Service Class Delivery Rate Revenue + (Standby Delivery Rate Revenue –Parent Service Class Delivery Rate Revenue)*4/6

Phase-In Year 5 (2030): Parent Service Class Delivery Rate Revenue + (Standby Delivery Rate Revenue –Parent Service Class Delivery Rate Revenue)*5/6

Delivery Rate Revenue includes Service Charge, Delivery Demand Charge and Delivery Energy Charge revenues. All rate components identified in "Adjustments to Rates and Charges" will not be subject to the Phase-In.

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

CANCELLED

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

CANCELLED

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

CANCELLED

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

CANCELLED

VIII.SERVICE CLASSIFICATIONS (continued):

P. SERVICE CLASSIFICATION NO. 12

CANCELLED

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers:
(Rate Code: 278)

1. Who Is Eligible

A firm that is one of the following:

a) Attraction Customer - A Customer considering moving to the Authority's Service Area (New Attraction Customer) or returning as a full Authority Customer (Existing Attraction Customer).

(1) New Attraction Customer:

(a) A Customer with a single account and a projected load greater than 1,000 kW, or

(b) A Customer with multiple accounts and a projected total non-coincident load greater than 1,000 kW, or

(c) A Customer that takes control of an existing business in the Authority's Service Area, demonstrates that the new business will be different than the existing business, signs an affidavit to that effect, and meets the load conditions in a. or b. above, or

(d) A Customer that takes control of a failed business in the Authority's Service Area, demonstrates the bankruptcy of the failed business, and meets the load conditions in a. or b. above.

(2) Existing Attraction Customer:

A Customer that currently generates or purchases some or all of its energy (including electricity, steam, or chilled water) from sources other than the Authority or the New York Power Authority.

b) Expansion Customer

(1) A Customer with a single account and a projected load increase of at least 100 kW, with a total load greater than 1.5 MW after expansion.

(2) A Customer with multiple accounts and a projected non-coincident load increase of at least 100 kW, with a total non-coincident load greater than 1.5 MW after expansion.

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 278)
Who is Eligible (continued):

c) Retention Customer An existing single-account or multiple-account Customer that is considering:

(1) Relocating at least 500 kW of its electric load outside the Authority's Service Area, or

(2) Generating or purchasing some or all of its energy (including electricity, steam, or chilled water) from sources other than the Authority or the New York Power Authority.

d) The Metropolitan Transportation Authority for Traction Power Service to the Long Island Rail Road.

e) The Brookhaven National Laboratories pursuant to a Sale for Resale agreement between the Authority and the New York Power Authority.

f) Sewer districts participating in the Suffolk County Coastal Resiliency Initiative.

2. Who Is Not Eligible

Retail enterprises [as defined in the New York State Tax Law, Section 210.12(k)(i) and (ii)] or local public entities, except as noted for specific purposes above, are not eligible for service under this Service Classification, unless they can show that they can or will generate their own power.

3. The Electric Service Agreement:

The Electric Service Agreement shall be negotiated and signed before service begins, and shall contain all the terms and conditions needed for the Authority to provide service, including Term of Service, Characteristics of Service, Rates and Charges, and restrictions and penalties that may apply.

4. 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 2,400/4,160 or 7,620/13,200 volts, three-phase, depending on the size and characteristics of the load and the circuit supplying the service.

d) Radial Sub/Transmission Service Level at approximately 23,000 volts or higher, three-phase, depending on the size and characteristics of the load and the circuit supplying the service.

e) The Authority may consider loads with a minimum estimated demand of 10,000 kW for service at 23,000 volts or higher.

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 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 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 Merchant Function Charge, the New York State Assessment Factor and the Securitization Offset Charge. However, the bill will not be adjusted for the Delivery Service Adjustment or the Revenue Decoupling Mechanism.

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 seven (7) years, except for Traction Power Service to the Long Island Rail Road, which may extend for a longer term.

8. 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.

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 278)
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):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 278)

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 278)

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 278)

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 278)

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 278)

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

Q. SERVICE CLASSIFICATION NO. 13
Negotiated Rate Service for Large Commercial Customers (continued):
(Rate Code: 278)

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

R. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

R. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

R. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

R. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

R. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

R. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

S. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

S. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

S. RESERVED FOR FUTURE USE

[CANCELLED]

VIII.SERVICE CLASSIFICATIONS (continued):

S. RESERVED FOR FUTURE USE

[CANCELLED]

IX. Long Island Choice Program

A. General Provisions:

1. Description and Definitions

The Long Island Choice ("LI Choice") Program gives Eligible Customers a choice of suppliers for their electric power needs. The Authority will deliver the power received from the Eligible Customer's chosen supplier using the Authority's transmission and distribution system under the Tariff, and the NYISO Tariff. The Authority and ESCO are also governed by the requirements set forth in the Long Island Energy Service Company Uniform Business Practices ("UBP-LI-ESCO"), incorporated as an Addendum to the Tariff, which may be modified from time to time. For purposes of this Section IX of the Tariff, the following definitions apply:

a) Bundled Service: The services offered by the Authority under Sections I-VIII of the Tariff. The Authority's Bundled Service includes the Authority-provided Electric Generation Service as part of the total service.

b) Consolidated Bill Option: An option that provides Customers the capability of receiving a single bill from the Authority that combines the Authority's charges for delivery services and other services it provides and the charges from their ESCO for Electric Generation Service and any related services it provides.

c) Direct Retail Customer ("DRC"): An Eligible Customer that is a direct customer of the ISO and that acts without an ESCO to contract for and supply Electric Generation Service and any related services solely for its own use.

d) Electric Generation Service: The procurement and transmission of electric capacity and energy to the Authority system, but not including the transmission or distribution of electric capacity and energy across the Authority's receipt points or along the Authority's electrical system to the Customer meter.

e) Energy Service Company ("ESCO"): An entity that performs electric supply, transmission and customer service functions in a competitive environment, including producing or contracting for and supplying Electric Generation Service and related services, and procuring and scheduling transmission and ancillary services to deliver the Electric Generation Service purchased by Participating Customers to the Authority system.

f) Installed Capacity ("ICAP"): The installed capacity that must be maintained by Load Serving Entities (LSE's) in accordance with NYISO requirements. An LSE's total ICAP requirement is based on forecasted peak load at customers meters adjusted for line losses and reserve margin requirements.

g) Load Share Ratio: The ratio of the coincident peak demand of a Customer or Customers participating in the LI Choice Program divided by the total coincident peak load of LI Choice Customers. The calculation of coincident peak demand is defined in the LI Choice Operating Procedures.

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
Description and Definitions (continued):

h) Operating Procedures: The LI Choice Operating Procedures.

i) Purchase of Receivables: An option provided in conjunction with the Consolidated Bill Option that makes the Authority responsible for collection of ESCO charges from participating Long Island Choice Customers.

j) Two Bill Option: An option that provides Customers the capability of receiving one bill from the Authority for delivery services and other services it provides, and a separate bill from their ESCO for Electric Generation Service and any related services it provides.

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, 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:

(a) the output from Solar or Wind Electric Generating Equipment that qualifies for net metering, and

(b) Non-net metered ReCharge NY Customers (Rate Code 680), and

(3) Is not explicitly excluded in 2.b), below, and

(4) A Direct Retail Customer (DRC) or customer who contracts with an authorized Energy Services Company (ESCO) to act as its agent for the scheduling and delivery of Electric Generation Service.

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 (except for Rate Code 680, which is eligible) 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.

IX. Long Island Choice Program (continued):

A. General Provisions (continued):

3. Character of Service

   a) Under the terms of this program, the Authority will accept Customer-owned electricity delivered by the ESCO or DRC through the designated connection point(s) on the Authority's transmission or distribution system for delivery to the Customer's facilities.

   b) The Authority will perform transformation, control and dispatch on the Authority's system.

   c) Receipt of electricity from ESCOs under this Service Classification is limited to the electricity required to meet the designated loads of Participating Customers in the Long Island Choice Program.

4. General Provisions

   a) ESCOs that wish to participate in the program are required to follow the Eligibility Requirements Section 2 of the UBP-LI-ESCO.

IX. Long Island Choice Program (continued):

A. General Provisions (continued):

5. Provisions Applicable to Participating Customers

a) Eligible Customers may:

(1) Designate only one ESCO to serve as the Customer's agent for an individual electric account. A DRC account cannot be served by an ESCO.

(2) Switch ESCOs or return to Bundled Service from the Authority at the applicable Tariff rates.

(3) Apply for licensing as a Direct Retail Customer responsible for the procurement, scheduling and delivery of Electric Generation Service.

IX. Long Island Choice Program (continued):

A. General Provisions (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

A. General Provisions (continued):

6. Obligations of ESCOs and DRCs

a) Energy Service Companies (ESCOs) shall:

(1) Obtain a Letter of Eligibility from the Department of Public Service and comply with the Eligibility Requirements of Section 2 of the LI ESCO-UBP and

(2) Comply with all applicable State, Federal and Authority requirements.

(3) Enter into and abide by the terms of an Operating Agreement with the Authority and applicable tariff agreements with the NYISO.

(4) Enter into an Agreement with Eligible Customers to meet their capacity, energy supply and related service needs.

(5) Obtain Customers' authorizations to act as their agent for delivery of their Electric Generation Service.

(6) Contract for and, as agent, arrange for the delivery of the Electric Generation Service needs of Customers purchasing their Electric Generation Service requirements from the ESCO, including installed capacity, energy, energy losses, transmission and ancillary services, as specified in the Operating Procedures and in Service Classification No. 14 of the Tariff.

(7) Provide the Authority with information necessary for Customer enrollment in the program and for termination of ESCO service to LI Choice Customers as described in the UBP-LI-ESCO.

(8) Comply with requirements of the UBP-LI-ESCO. If found in violation of the requirements, the ESCO may be subject to consequences as described in Section 2.D.6.b of the UBP-LI-ESCO.

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
Obligations of ESCOs and DRCs - ESCOs (continued):

(9) Act as agent of the LI Choice Customer to:

(a) Schedule deliveries of Electric Generation Service, and

(b) Settle any imbalances between the ESCO's deliveries and Customers' actual energy consumption as set forth in the Operating Procedures, and

(c) Obtain billing determinants on behalf of the Customer.

(10) Be responsible for billing and collecting from Customers the charges for services rendered by the ESCO, if the ESCO elects the Two Bill Option.

(11) Contract on behalf of Participating Customers, as agent, for installed generation capacity as provided by the applicable NYISO tariff(s). The minimum required percentage of local installed capacity is set forth in the "Statement of Installed Capacity and Local ICAP for the Long Island Choice Program."

IX. Long Island Choice Program (continued):

A. General Provisions (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

A. General Provisions (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
Obligations of ESCOs and DRCs (continued):

b) Direct Retail Customers (DRCs) shall:

(1) Comply with all requirements of the NYISO, and

(2) Comply with all applicable State, Federal and Authority requirements.

(3) Enter into and abide by the terms of an Operating Agreement with the Authority and applicable tariff agreements with the NYISO.

(4) Contract for and arrange for the delivery of their Electric Generation Service needs, including installed capacity, energy, energy losses, transmission and ancillary services.

(5) Provide the Authority with information necessary to enroll as a DRC or terminate service under Long Island Choice, as described in the Operating Procedures.

(6) Satisfy installed generation capacity requirements as provided by the applicable NYISO tariff(s). The minimum required percentage of local installed capacity is set forth in the "Statement of Installed Capacity and Local ICAP for the Long Island Choice Program."

7. ESCO or DRC License Application, Suspension and Revocation

a) An ESCO's status as an eligible supplier is continuous from the date of the Department eligibility letter, unless revoked or otherwise limited in accordance with the following sections of the UBP-LI-ESCO:

(1) Section 2.F., "Discontinuance of an ESCO's and Direct Customer's Participation in a Retail Access Program" and

(2) Section 2.D, "Maintaining ESCO Eligibility Status."

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
ESCO or DRC License Application, Suspension and Revocation (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
ESCO or DRC License Application, Suspension and Revocation (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
ESCO or DRC License Application, Suspension and Revocation (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
ESCO or DRC License Application, Suspension and Revocation (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
ESCO or DRC License Application, Suspension or Revocation (continued):

b) Upon the effective date of the revocation of the ESCO's or DRC's eligibility to operate, the Operating Agreement will be terminated and the following terms and conditions will apply:

(1) ESCOs, as agent for Participating Customers, and DRCs may no longer supply Electric Generation Service and related services.

(2) ESCOs may no longer receive services from the Authority, except as may be necessary to satisfy any requirements for final billing, billing adjustments, payments, dispositions of outstanding claims, and related matters.

(3) DRCs must become Bundled Service Customers. Such DRCs may then enroll in the LI Choice Program using an ESCO under normal procedures.

(4) ESCOs and DRCs must abide by all applicable provisions of the Operating Agreement to the extent necessary to provide for final billing, billing adjustments, payments, dispositions of outstanding claims, and related matters.

c) Upon the revocation of an ESCO's or DRC's eligibility to operate, the Authority will notify the Customers that have agreements with the ESCO and DRC of such action, in accordance with the notification provisions of the Operating Procedures.

IX. Long Island Choice Program (continued):

A. General Provisions (continued):

8. Complaint Procedures for Disputes between ESCOs or DRCs or Between an ESCO or DRC and the Authority

   The Authority will handle complaints between licensed ESCOs or DRCs that relate to the program and complaints between an ESCO or DRC and the Authority (or the Manager) that relate to the program. Section 8 of UBP-LI-ESCO describes the dispute resolution processes available at the Department of Public Service to resolve disputes relating to competitive energy markets involving the Authority, ESCO, or DRC including disputes alleging anti-competitive practices.

   Disputes between Long Island Choice Customers and the Authority will follow the consumer complaint procedures in Section VI.A.

IX. Long Island Choice Program (continued):

A. General Provisions (continued):
Complaint Procedures for Disputes between ESCOs or DRCs or Between an ESCO or DRC and the Authority (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

A. General Provisions (continued):

9. Records Access, Audits, and Investigations

The Department and the Authority are responsible for overseeing the LI Choice Program and ensuring compliance by ESCOs, and DRCs with the program's requirements.

a) Upon request by the Department or the Authority for records relating to the LI Choice Program, ESCOs and DRCs shall provide access to all records requested that are in their possession or under their control, including records relating to LI Choice Customers and Agreements, and records necessary to verify power supply, transmission, and ancillary services contractual arrangements and similar arrangements.

b) Unless otherwise stated by the Department or the Authority, access to individual LI Choice Customer records, including Agreements, shall be provided by ESCOs and DRCs within five (5) business days of receipt of the Authority's verbal or written request. All other records shall be provided by ESCOs and DRCs to the Department or the Authority within ten (10) business days of receipt of the Authority's written request, unless otherwise stated.

c) The Department or the Authority may request ESCOs and DRCs to provide records relating to LI Choice in connection with an audit or investigation undertaken by it, or in connection with any other activity undertaken by the Department or the Authority in the discharge of its responsibilities to oversee LI Choice and ensure compliance with the program's requirements.

d) Upon request by the Department or the Authority for individual LI Choice Customer records (including Agreements), ESCOs and DRCs shall provide access to all such records requested that are in their possession or under their control, within five (5) business days of receipt of verbal or written request.

e) In providing records under this Section A.9, an ESCO or DRC may request the Authority to exempt from disclosure records (or any portion thereof) that are described in Section 87(2)(g) of the Public Officers Law.

f) For purposes of this Section A.9, the term "records" includes documents, data, information, records, and papers, including those on electronic media, taped verbal contracts and electronic contracts.

10. Unmetered Service and Fast Service

The Authority will calculate an adjustment to the Customer's bill for unauthorized unmetered service and fast meters in accordance with the Tariff.

a) If applicable, the change in electricity deliveries will be applied to the ESCO's load and forwarded to the NYISO. Adjustments will be calculated according to the provisions of the applicable NYISO tariffs and the LI Choice Operating Procedures.

b) If the period for NYISO adjustment has expired, the Authority will calculate an adjustment between the Authority and the ESCO, using the NYISO's real time hourly rate or similar rate.

IX. Long Island Choice Program (continued):

B. Community Choice Aggregation ("CCA") Program:

1. A CCA Program allows municipalities (villages, towns, and cities) to aggregate the usage of eligible Mass Market Customers within a defined jurisdiction in order to secure an alternative energy supply contract on a community-wide basis.

   a) Before requesting customer data from the utility for participation in a CCA Program, the municipality or their designee (CCA Administrator or ESCO):

      (1) Must sign a Data Security Agreement acceptable to the Manager, and

      (2) CCA Administrators must be authorized by the New York State Public Service Commission; and

      (3) Proof that the municipality exercised its Municipal Home Rule Law and enacted a Local Law to implement a CCA Program, or submission of the agreement or Memoranda of Understanding between the Administrator and municipality.

   b) Upon fulfilling the requirements in Section IX.B.1.a), the Manager will provide the following information to the municipality or their designee in accordance with the terms and fee(s) stated herein. Fees shall not be charged for the release of customer data, except for any cost-based fees identified in Section IV.C.10.a).

      (1) Aggregated customer data, by billing cycle, including the number of customers by service class and the electric kWh by month for the past twelve (12) months by service class. This information will be provided to the municipality or CCA Administrator within twenty (20) days of a request.

      (2) After each municipality has entered into a CCA contract with an ESCO, the Manager shall transfer customer-specific data to the municipality or CCA Administrator within five (5) days of receipt of a request to support the mailing of opt-out notices. The data shall include all customers in the municipality eligible for opt-out treatment based on the CCA and the requirements of the Department of Public Service. The data should include:

         (a) Customer of record's name;
         (b) Proxy ID;
         (c) Mailing Address;
         (d) Primary Language (if available from the Company's billing system);
         (e) Any customer-specific alternate billing name and address (if available from the Company's billing system);
         (f) Billing cycle and bill period code indicating the month of the Customer's interim estimate, if applicable;
         (g) Tax exempt status; and
         (h) Net metered/VDER/solar account indicator.

      (3) After the opt-out process has been completed, the Manager shall transfer account numbers for eligible customers that did not opt-out to the ESCO providing service within five (5) days of receipt of a list of customers that opted out. These account numbers may be transmitted via electronic mail in secured, encrypted spreadsheets, through access to a secure website, or through other secure methods of transfer.

IX. Long Island Choice Program (continued):

B. Community Choice Aggregation ("CCA") Program (continued):

(4) Upon request by the municipality or CCA Administrator, the Manager will transfer updated customer data as specified in (b)(2) for CCA eligible customers that became customers of the Manager since the last eligible customer list was provided and were not on a previous eligible for opt-out list. The data will be provided to the requestor within five (5) days of the request. After the opt-out process is complete for those customers, the Manager will provide account numbers for customers that did not opt-out as described in (b)(3). The updated eligible customer lists will be provided without charge.

2. Rules and Governance

a) All CCAs will be created and governed in accordance with the Laws of New York State and the guidance of the Department of Public Service.

b) LIPA, municipalities participating in the CCA, and CCA administrators will follow the Community Choice Aggregation Program Rules issued by Department of Public Service with the exception that all disputes between LIPA, CCA Administrators and/or Energy Service Entities *(*i.e., any entity seeking access to energy related data, and can include, among other entities, ESCOs and DER providers) shall follow the procedures set forth in Section IX.B.2.d below.

c) ESCOs participating in the Community Aggregation Program must follow all applicable rules for ESCOs provided in the Long Island Choice Section of the Tariff, except such items specified in the Community Choice Aggregation Program Rules, such as:

(1) Customer enrollment rules;
(2) Provisions of customer data to the CCA/ESCO.

d) The dispute resolution for disputes between LIPA, CCA Administrators and/or Energy Service Entities ("ESEs") is as follows:

(1) Standard Process. The parties shall use a method to send documents described in this paragraph that will verify the date of receipt. Any CCA Administrator, ESE or the Manager may initiate a formal dispute resolution process by providing written notice to the opposing party and New York State Department of Public Service Staff. Such notice shall include a statement that the CCA dispute resolution process is initiated, a description of the dispute, and a proposed resolution with supporting rationale. The Department of Public Service Staff may participate in the process at this or any later point to facilitate the parties' discussions and to assist the parties in reaching a mutually acceptable resolution.
(a) No later than ten (10) calendar days following receipt of the dispute description, if no mutually acceptable resolution is reached, the opposing party shall provide a written response containing an alternative proposal for resolution with supporting rationale and send a copy to Department of Public Service Staff.
(b) No later than ten (10) days after receipt of the response, if no mutually acceptable resolution is reached, any party or Department of Public Service Staff may request that the parties schedule a meeting for further discussions. The parties shall meet no later than fifteen (15) calendar days following such request, upon advance notice to Department of Public Service Staff, unless the parties and Department of Public Service Staff agree upon another date.

IX. Long Island Choice Program (continued):

B. Community Choice Aggregation ("CCA") Program (continued): Rules and Governance (continued)

(c) If no mutually acceptable resolution is reached within forty (40) calendar days after receipt of the written description of the dispute, any party may request an initial decision from the Department of Public Service. A party to the dispute may appeal the initial decision to the Authority's Chief Executive Officer.
(d) If the parties reach a mutually acceptable resolution of the dispute, they shall provide to Department Staff a description of the general terms of the resolution.

(2) Expedited Process. In the event that an emergency situation arises to justify immediate resolution of a dispute, any party may file a formal dispute resolution request with the Secretary to the Public Service Commission asking for expedited resolution. An emergency situation includes, but is not limited to, a threat to public safety or system reliability or a significant financial risk to the parties or the public. The filing party shall provide a copy of the request to other involved parties and the Department Staff designated to receive information related to dispute resolution under this Section. The request shall describe in detail the emergency situation requiring expedited resolution, state in detail the facts of the dispute, and, to the extent known, set forth the positions of the parties.

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services
(Rate Code: 390)

1. Who is Eligible

   ESCOs or DRCs who receive and maintain a License.

2. Character of Service
   Under the terms of this Service Classification, the Authority will provide information and other services to licensed ESCOs and DRCs. The types of information and services to be provided in accordance with the Tariff and the Operating Procedures include:

   a) Load and billing information for Customers served by each ESCO.

   b) Routine and special meter reading services.

   c) Special metering facilities as requested by the Customer or ESCO.

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)

[CANCELLED]

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)

[CANCELLED]

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)

[CANCELLED]

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)

[CANCELLED]

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)
Rates, Charges and Credits per Month (continued):

3. Rates, Charges and Credits per Month

a) Miscellaneous and Other Charges

ESCOs and DRCs will be billed monthly for miscellaneous services requested by the ESCO as agent for Participating Customers or DRC for its own purposes. Charges for these miscellaneous services that may be purchased by the ESCO and DRC are as follows:

(1) Special Metering: ESCOs and DRCs may request the Authority to upgrade Participating Customers' meters from the standard meters used by the Authority to meters with capabilities for remote reading and for measuring load over shorter time intervals using AMI meters. ESCOs and DRCs who request the remote AMI meter reading data to be provided to them on a monthly basis will individually enter into a negotiated price agreement with the Authority. Customers can retrieve AMI data from the Manager's website at no charge.

(2) Bilateral Contracts: the Authority may offer bilateral contracts to ESCOs and DRCs from time to time as set forth in the Operating Procedures.

(3) Special Meter Reading: If a Customer does not have an AMI equipped smart meter and special meter reading is necessary, than an ESCO or DRC may request a special meter read before the regularly scheduled read, providing the request is made seventy-two (72) hours before the date the read is needed. The ESCO or DRC shall pay the following charges:

Description	Charge
(a) Site visits during the hours of 8:30 a.m. to 4:00 p.m., weekdays excluding PSEG Long Island Holidays	$32.05
(b) Site visits during the hours of 4:00 p.m. through 7:00 p.m. on weekdays or 8:30 a.m. through 4:00 p.m. on Saturday, when requested by the ESCO	$37.75

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)

[CANCELLED]

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)
Rates, Charges and Credits per Month (continued):

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)
Rates, Charges and Credits per Month (continued):

[CANCELLED]

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)
Rates, Charges and Credits per Month (continued):

(4) Meter Reading Historical Information: After obtaining appropriate authorization from the Customer, and subject to the availability of such data from the Authority, ESCOs or DRCs may request up to twenty-four (24) months of monthly or bi-monthly historical meter reading information without charge. Information for historical periods beyond the twenty-four (24) months, and for fifteen (15-minute) interval data covering any historical period, will be provided, if available, at a charge of ten dollars ($10.00) for each meter reading period's data request. (see Leaf No. 107B, C.10.a)

Meter Reading Historical Information available to ESCOs and DRCs will be made available directly to Customers upon their request on the same terms.

b) Adjustment to Rates and Charges

(1) Miscellaneous Charges on each ESCO's or DRC's bill from the Authority will also be adjusted for the NYS Assessment.

(2) The Distributed Energy Resources Cost Recovery Rate, and the Shoreham Property Tax Settlement Rider do not apply to the rates, charges or credits in this Service Classification.

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued): (Rate Code: 390)

4. Terms of Payment

The ESCO or DRC shall pay the balance for service due via electronic transfers, within twenty (20) days of the electronic transmittal of the bill. Late payments shall be subject to Late Payment Charges. The Authority will remit any net credits due to ESCOs or DRCs in accordance with the Operating Procedures.

5. Special Provisions

a) ESCO and DRC Supply Requirements

ESCOs and DRCs shall meet installed capacity reserve requirements established by the NYISO.

(1) From time to time, the Authority will prepare and retain on file a “Statement of Energy and Peak Demand Losses” and a “Statement of Installed Capacity and Local ICAP for the Long Island Choice Program.”

(2) The Energy Losses portion of the Statement will be calculated using average system losses weighted by the weather normalized seasonal energy requirement of the system.

(3) The peak demand losses will be calculated using the average system losses at the time of summer peak.

(4) The Installed Capacity and Local ICAP requirements will be set equal to the levels established by the NYISO for ICAP and Local ICAP, respectively, and as changed by the NYISO from time to time.

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)
Special Provisions (continued):

b) Load Balancing

The requirements for load balancing at the wholesale and retail level, and the procedures for settling imbalances, are set forth in the Operating Procedures.

c) Financial Security

Each ESCO and DRC shall provide financial security in a form acceptable to the Authority.

(1) The required financial security, will be determined in accordance with the Operating Procedures Section 3 of the UBP-LI-ESCO.

(2) Security requirements may be satisfied consistent with Section 3.E of the UBP-LI-ESCO.

IX. Long Island Choice Program (continued):

C. SERVICE CLASSIFICATION NO. 14 ESCO and DRC Services (continued):
(Rate Code: 390)
Special Provisions (continued):

d) Customer Enrollment

Enrollment of an Eligible Customer with an ESCO is permitted only with the consent of the Eligible Customer.

(1) The ESCO shall enter into an Agreement with the Eligible Customer setting forth the Customer's agreement to purchase Electric Generation Service and any related services from that ESCO. The Agreement shall specify the terms and conditions of service consistent with the procedures in the UBP-LI-ESCO.

(2) The ESCO shall retain all Agreements consistent with Section 4 B.3 of the UBP-LI-ESCO, including taped third-party verification of Verbal Agreements, and Electronic Agreements with Eligible Customers, for a period of at least two (2) years for the length of the sales agreement, whichever is longer.

(3) The ESCO requesting to change an Eligible Customer's electric power supplier without appropriate authorization from the Customer shall pay all costs and fees incurred by the Eligible Customer, as detailed in Section 5 K of UBP-LI-ESCO.

(4) An ESCO may have their license suspended or revoked in accordance with the consequences listed in the UBP-LI-ESCO Section 2.D.5.

IX. Long Island Choice Program (continued):

D. ADJUSTMENTS TO RATES AND CHARGES FOR PARTICIPATING CUSTOMERS:

[CANCELLED]

IX. Long Island Choice Program (continued):

D. ADJUSTMENTS TO RATES AND CHARGES FOR PARTICIPATING CUSTOMERS (continued):
Bill Credits for Participating Customers (continued)

[CANCELLED]

IX. Long Island Choice Program (continued):

D. ADJUSTMENTS TO RATES AND CHARGES FOR PARTICIPATING CUSTOMERS (continued):
Bill Credits for Participating Customers (continued)

[CANCELLED]

IX. Long Island Choice Program (continued):

D. ADJUSTMENTS TO RATES AND CHARGES FOR PARTICIPATING CUSTOMERS (continued):

1. The Increases in Rates and Charges to Recover PILOT Payments will be applied to all of the charges on the Participating Customer's bill.

2. The Local Supply Charge will apply to the Participating Customers.

3. 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.

4. Long Island Choice Customers are subject to all other adjustments of rates and charges according to their base rate Service Classification.

5. 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 the Authority's Bundled Service on the first day of any month, after providing the Authority an electric enrollment request no later than five (5) business days prior to the effective date of the enrollment.

      3) Customers who return to the Authority'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.

IX. Long Island Choice Program (continued):

D. ADJUSTMENTS TO RATES AND CHARGES FOR PARTICIPATING CUSTOMERS (continued):
Special Provisions (continued):

b) Customer Information

The Authority will provide a requesting ESCO or DRC with customer information upon approval by the Customer in accordance with Section 4 of the UBP-LI-ESCO:

(1) Approximately twenty-four (24) months of hourly or bi-monthly Customer usage information including kWh usage and kW demands if available for the particular Customer Service Classification, and information as to whether each meter reading value was actual or estimated.

(2) The customer information provided in (1) above will be provided at no charge. Customer information provided in excess of twenty-four (24) months or detailed interval data will be provided at a charge to the ESCO and DRC as provided in C.3.a.4 above.

c) Special Meter Reads and Meter Equipment

(1) The Authority will perform special meter reads for ESCOs or Participating Customers and bill the requesting party. Requests for special meter readings shall be made not less than seventy-two (72) hours in advance of the requested read date, and are subject to the availability of the Authority personnel to perform the reading on the specified date. Charges for special meter reads are found in C.3.a.3 above.

(2) Metering equipment provided by the Authority is that which the Customer would have been provided under the appropriate Bundled Service Classification. If requested, the Authority will provide additional equipment and bill the ESCO or DRC as provided in C.3.a.1 above.

IX. Long Island Choice Program (continued):

D. ADJUSTMENTS TO RATES AND CHARGES FOR PARTICIPATING CUSTOMERS (continued):
Special Provisions (continued):

d) Two Bill Option

If an ESCO elects the Two Bill Option:

(1) The Authority will render its bill in accordance with the provisions of the Tariff. The Authority's bill will not include charges for the Electric Generation Service provided by the ESCO, nor will it include charges or credits related to the Customer's account that are the responsibility of the ESCO or DRC under Service Classification No. 14.

(2) The ESCO shall render a bill to the Customer for its charges after the Customer's meter is read, and in accordance with the terms of the Agreement between the Customer and the ESCO.

(3) Where a Customer desires to make a single payment for electric service, the ESCO must elect the Consolidated Bill Option with Purchase of Receivables as defined below:

e) Consolidated Bill Option with Purchase of Receivables

The Consolidated Bill Option with Purchase of Receivables will be available to Long Island Choice ESCOs at the sole discretion of the Authority's CEO or designee, upon the completion of all necessary implementation steps in accordance with the recommendation provided by the Department of Public Service to the LIPA Board.

If an ESCO elects the Consolidated Bill Option with Purchase of Receivables:

(1) The ESCO will sign a Consolidated Bill Option with Purchase of Receivables Agreement with the Authority as defined in the Operating Procedures.

(2) The ESCO will provide the supply rate to be charged each participating Customer for that Customer's energy usage as determined by the Authority from the Customer's meter.

(3) LIPA will remit to the ESCO the amount for supply service billed to each of that ESCO's participants determined at the supply rate provided by the ESCO, less an amount determined by the Purchase of Receivables Factor.

(a) The Purchase of Receivables Factor will be updated from time to time to reflect the Authority's recent experience with collections from participating Long Island Choice Customers.

(b) The Purchase of Receivables Factor will appear on the Statement of Long Island Choice Parameters.

(4) The Authority will accept and assume all responsibility for collection of the charges billed under the Consolidated Bill Option with Purchase of Receivables, pursuant to the provisions of Home Energy Fair Practices Act (HEFPA) and all other applicable law.

(5) The Authority will not provide the Consolidated Bill Option without the corresponding Purchase of Receivables.

(6) The Authority will not participate in any ESCO-provided Consolidated Bill Option arrangement.

X. The Authority Green Choice Program:

A. General Provisions

1. Program Description and Definitions

The Authority 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. Customer Eligibility

a) In order to participate in the Authority Green Choice Program a Customer must:

(1) Take service under Service Classification Nos. 1, 2, 2-VMRP, 2L, 2L-VMRP, or 2-MRP, 5, 7, 7A, 10, 13 and:

(2) Receive metered or authorized unmetered electric service from the Authority.

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

(1) Customers who receive service under Service Classification No. 11 or 12. 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 (60) or more days.

X. The Authority Green Choice Program (continued):

A. General Provisions (continued):

3. Green Marketer Eligibility

To participate in the Authority Green Choice as a Green Marketer, an applicant must sign an Authority application stating that it will comply with all the provisions of the Tariff and with any agreements between the applicant and the Authority. The Green Marketer must also meet the following requirements:

a) The Green Marketer must be licensed by the NYSPSC as an ESCO in NY State and must be in compliance with the Electronic Data Interchange (EDI) standards. The Authority may, at its discretion, impose additional requirements and request additional information from a potential Green Marketer before it is allowed to participate in the Authority Green Choice Program.

b) The Green Marketer must notify the Authority immediately of any material change in information previously submitted to the Authority, and

c) The Green Marketer must cooperate with the Authority and the NYSPSC in order for the NYSPSC to be able to recognize the necessary Conversion Transactions.

4. Customer Enrollment Guidelines

a) A Customer desiring to participate in the Authority Green Choice Program will select an eligible Green Marketer, enter into an agreement directly with the Green Marketer, and provide the Green Marketer with the necessary enrollment information. The form of that customer agreement will be subject to the Authority's approval.

b) The Green Marketer will submit the Customer's enrollment information to the Authority. At a minimum, the Green Marketer will provide the Customer's current account number, name, and the Customer's selected renewable energy environmental attributes option as described below.

c) The Authority must receive the information required in 4.b) above at least ten (10) calendar days prior to the first of the month for which enrollment in the program will be deemed effective.

d) A Customer can only contract with one Green Marketer at a time to receive renewable energy options for an individual electric account. When two or more meters at a single location are combined and a Customer is billed for total use as an individual electric account, in accordance with the Tariff, only one Green Marketer may provide renewable energy environmental attributes service to that individual electric account.

X. The Authority Green Choice Program (continued):

A. General Provisions (continued):

5. Renewable Energy Environmental Attributes Options

a) Each participating Green Marketer will offer Customers a reasonable number of renewable energy environmental attributes service options. These service options may include the following:

(1) A total energy consumption option whereby a Green Marketer provides the renewable energy environmental attributes options for one hundred percent (100%) of a Customer's total billed consumption for a given billing period.

(2) A percentage of energy consumption options whereby a Green Marketer provides the renewable energy option for seventy-five percent (75%), fifty percent (50%), or twenty-five percent (25%) of a Customer's total billed consumption for a given billing period.

(3) An energy block service option whereby a Green Marketer provides Customers blocks of the renewable energy environmental attributes options. The size of the individual blocks will be determined by the Green Marketer but would be equal or less than the energy consumed by the Customer who bought those options.

b) The Green Marketer shall provide to the Authority, for each Customer enrolled, the specific details related to the service option chosen at the time of enrollment, including the amount or percentage of monthly energy that the Customer has enrolled in the program.

6. Billing Service

a) The Authority shall perform the billing services for the renewable energy options as selected by the Customer in the enrollment process. The Authority shall include the Green Marketer's charge for the specific renewable energy environmental attributes options as a separate line item on the Customer's bill.

b) The Authority's adjustment for the Shoreham Property Tax Settlement Rider, discounts to promote the Authority's Economic Development Programs and any discounts related to Service Classification No.13 will not apply to the Green Marketer's charges on the Customer's bill.

c) The Green Marketer will be required to enter into a Billing Services Agreement with the Authority that contains terms and conditions governing the rights and obligations of the parties prior to the Authority's including any renewable energy charge on the Customer's bill. The Billing Services Agreement may include specific or allocated charges to the Green Marketer.

X. The Authority Green Choice Program (continued):

A. General Provisions (continued):

7. Conversion Transactions

a) Each calendar month, the Authority will report to each Green Marketer the quantity of renewable energy environmental attributes in kWh purchased by the Green Marketer's Customer for a previous month.

(1) To determine the loads for those customers without interval meters, the Authority may

(2) Utilize the representative service class load shapes (reflecting voltage delivery level) and determine customer loads in a manner similar to the methodology used for NYISO reporting.

(3) For Customers with interval meters, the Authority may use a Customer's actual meter reading.

b) For each quarter, the Green Marketer shall provide to the Authority documentation supporting its purchases of environmental attributes from renewable energy generators that contain sufficient commitments to support the renewable energy environmental attributes sales during that same period.

8. Preparation and Dissemination of Environmental Disclosure Statements

a) For environmental disclosure purposes, the Authority will provide all required information to the NYSPSC to develop the environmental disclosure statements.

b) The Authority will assist Green Marketers in preparing customer-specific environmental disclosure statements. Green Marketers will be responsible for disseminating the customer-specific environmental disclosure statements to their customers on a periodic basis.

X. The Authority Green Choice Program (continued):

A. General Provisions (continued):

9. Switching

a) Customers participating in the Authority Green Choice Program may choose to change Green Marketers subsequent to their initial Green Marketer selection.

b) Customers may discontinue participation in the Authority Green Choice Program at any time provided the Authority is notified at least ten (10) calendar days before the first of the month for which the discontinuation is to be effective.

c) There are no restrictions on the frequency of switches except as may result from the notice period requirements or as may be specified in agreements between Green Marketers and Customers.

10. Discontinuation of Green Marketer Participation

a) The Authority may discontinue a Green Marketer's participation in the Authority Green Choice Program if the following conditions exist:

(1) The Green Marketer failed to procure an amount of renewable kWh equal to the renewable kWh billed by the Authority.

(2) The Green Marketer fails to comply with the terms and conditions of the Tariff or with any agreements entered into with by the Authority in connection with the Authority Green Choice Program.

b) When a Green Marketer's participation is discontinued, its Customers will have the opportunity to enroll with other Green Marketers, as available, or discontinue participating in the Authority Green Choice Program.

X. The Authority Green Choice Program (continued):

A. General Provisions (continued):

11. Limitation of Liability

a) Definitions: For purposes of this Section 11, (1) the term "damages" shall mean all losses, direct and consequential damages (including economic loss), judgments, costs, expenses, claims and legal expenses (including reasonable attorney and consulting fees), and (2) references to the Authority shall be interpreted to include each of their respective Trustees or Directors, officers, employees and agents.

b) The Authority shall not be liable to the Green Marketer for any damages arising from the claims of either the Green Marketer, other Green Marketers or the Authority Green Choice Customer and relating to:

(1) The Authority's performance of its obligations under the Authority Green Choice Program or any legal or regulatory requirement arising in connection with the Authority Green Choice Program; or

(2) An Authority Green Choice Customer's failure to satisfy its obligations under the Authority Green Choice Program, its agreement(s) with the Green Marketer or under any other legal or regulatory requirements arising in connection with the Authority Green Choice Program; or

(3) Any discontinuation or termination of a Green Marketer's participation in the Authority Green Choice Program.

c) To the fullest extent permitted by law, the Green Marketer shall indemnify, defend and hold harmless the Authority for any and all of the following:

(1) Damages imposed upon the Authority relating to the circumstances or occurrence of any of the events described under Section 11.b) above.

(2) Damages imposed upon the Authority with respect to damages to an Authority Green Choice Customer attributed to any of the following:

(a) the Green Marketer's acts or omissions including but not limited to damages associated with its failure to arrange for conversion transactions equal to its billings to the Authority's Customers, including, without limitation, claims by the Green Marketer's Customers or by the NYSPSC associated with the compliance with NYSPSC environmental disclosure requirements; or

(b) the Green Marketer's acts, omissions, or representations in connection with its solicitation of Customers under the Authority Green Choice Program or its failure to perform any commitment to an Authority Green Choice Customer under any contract between the Green Marketer and the Authority Green Choice Customer.

XI. NYSERDA Loan Installment Program

A. General Provisions

1. Program Description

On August 4, 2011, the Power NY Act of 2011 was enacted which amends the Public Service Law to establish the Green Jobs-Green New York Program administered by New York State Energy Research and Development Authority ("NYSERDA") or its designated agent. This program provides for an on-bill recovery mechanism for certain qualified Residential and Nonresidential Customers to pay back loans for energy efficiency improvements approved and obtained through NYSERDA ("NYSERDA Loan Installment Program"). As set forth in this law, the Authority will bill and collect NYSERDA Loan Installment Charges on the Authority's bills to Customers when notified by NYSERDA that these NYSERDA Loan Installment Charges apply to the Customer's account. The Authority will include the monthly NYSERDA Loan Installment Charge until the NYSERDA Loan Installment obligation is satisfied or the account is closed.

2. Obligations of the Authority

In order to comply with the requirements set forth in the Power NY Act of 2011, the Authority will provide NYSERDA, or its agents, certain customer information and take other actions for purposes of administering the NYSERDA Loan Installment Program, subject to the following limitations:

a) The Authority will implement the NYSERDA Loan Installment Program by June 1, 2012.

b) The Authority will not be responsible to any party for any NYSERDA Loan Installment Charges billed but not collected and such charges are not obligations of the Authority.

The number of Customers that may participate in the NYSERDA Loan Installment Program under this section is initially limited to 10,000 accounts, on a first-come, first-served basis based on the date on which NYSERDA notifies the Authority of enrollment. When participation nears 10,000 accounts, and subsequently each time participation increases by 5,000 accounts, the Authority will conduct a review of the program's impact on participating and non-participating Customers. Provided the program is found to cause no significant harm to Customers and the Board is advised of this finding, the Authority staff may allow further increases in program participation in increments of 5,000.

c) The responsibility of the Authority is limited to providing billing and collections services for NYSERDA. Such billing and collection services shall be available regardless of whether the electricity delivered by the Authority is the Customer's primary energy source.

d) Unless otherwise precluded by law, participation in the NYSERDA Loan Installment Program shall not affect a Customer's eligibility for any rebate or incentive offered by the Authority.

e) At least annually, the Authority will provide customers participating in the NYSERDA Loan Installment Program the following information, incorporating the most recent information that has been provided by NYSERDA prior to the preparation of the notice:

(1) The amount and duration of remaining installments under the NYSERDA Loan Installment Program.

NYSERDA's contact information and procedures for resolving customer complaints regarding the NYSERDA Loan Installment Program.

XI. NYSERDA Loan Installment Program (continued):

A. General Provisions

3. Obligations of NYSERDA

a) Agreements to participate in the NYSERDA Loan Installment Program may only be executed with Customers who have primary account meter responsibility and meet eligibility standards established by NYSERDA. In addition, for residential properties, the Customer must also hold primary ownership of the premises.

b) All Customer information released to NYSERDA by the Authority will be considered confidential. Customers making application to NYSERDA under the NYSERDA Loan Installment Program must provide consent for NYSERDA's use of the Customer's account information.

c) For premises with an outstanding NYSERDA Installment Loan, the Authority will release to NYSERDA each successor Customer's information pursuant to the requirements of the Power NY Act of 2011. All Customer information provided about successor customers will be treated as confidential to the extent permitted by law.

d) NYSERDA will advise the Authority of the NYSERDA Loan Installment Charge and loan term in months to be billed for each Customer.

e) The Authority will commence billing the NYSERDA Loan Installment Charge on the Customer's next cycle bill for the Authority service after notification by NYSERDA, if practical, but not later than the second billing cycle after receipt of the notification.

f) Only one NYSERDA Loan Installment obligation can exist on a Customer's account. Should the Customer enter into an additional NYSERDA Loan Installment agreement, NYSERDA will replace the current NYSERDA Loan Installment Charge on the account with a new NYSERDA Loan Installment Charge and notify the Authority of the new NYSERDA Loan Installment Charge and corresponding NYSERDA Loan Installment term in months.

4. Obligations of the Customer

a) The rights and responsibilities of Residential Customers participating in the NYSERDA Loan Installment Program are governed by the provisions of Article 2 of the Public Service Law.

b) Occupants of multiple dwellings and two-family dwellings that assume responsibility for making payments to the Authority in accordance with Public Service Law §§ 33 and 34 and 16 NYCRR 11.7 and 11.8, shall not be required to assume the NYSERDA Loan Installment charges and such arrears and/or prospective amounts shall remain the responsibility of the incurring Customer.

c) Customers must direct any questions or billing disputes regarding the NYSERDA Loan Installment Program directly to NYSERDA or its designated agent. The Authority and the Customer will rely upon NYSERDA's administration of its complaint and appeal process and its determination in placing, removing or modifying NYSERDA Loan Installment Charges placed on the participating Customer's bill, unless otherwise directed by a lawful authority with jurisdiction.

XI. NYSERDA Loan Installment Program (continued):

B. Operation of the Program

1. NYSERDA Loan Installment Charges will be paid to the Authority with the Customer's regular cycle service bill.

   a) Bills are due and payable when rendered.

   b) If less than the total monthly bill amount inclusive of the NYSERDA Loan Installment Charge is remitted by the Customer, the partial payment will first be applied to any charges due to the Authority and any remaining amount thereafter will be applied to the NYSERDA Loan Installment Charge.

   c) If more than the total monthly bill amount inclusive of the NYSERDA Loan Installment Charge is remitted by the Customer, the Authority will apply the excess payment first to subsequently billed Authority charges and then to NYSERDA Loan Installment Charges as they are billed.

      (1) For a Customer participating in the Balanced Billing plan, the charges due to the Authority shall reflect the amounts billed under the Balanced Billing Program

      (2) The Authority will not apply excess payments as a prepayment of NYSERDA Loan Installment Charges. Customers wishing to make NYSERDA Loan Installment prepayments or satisfy the balance of the loan amount outstanding must arrange with NYSERDA or its designated billing agent for any such payments.

      (3) The Authority will not pay any interest on any overpayments of NYSERDA Loan Installment Charges.

2. The provisions of the Tariff apply to NYSERDA Loan Installment Charges and payments. including:

   a) Deferred Payment Agreements will be offered for unpaid NYSERDA Loan Installment Charges.

   b) Field Collection Charge and Reconnection Charge will apply, even if the amount in arrears was related solely to NYSERDA Loan Installment charges.

   c) Uncollectible Payment Handling Charge will apply, even if the payment was solely related to NYSERDA Loan Installment Charges

3. The Late Payment Charge will not apply to any unpaid NYSERDA Loan Installment Charges.

4. NYSERDA Loan Installment charges will not be subject to the following Adjustments to Rates and Charges:
   a) Increases in Rates and Charges to Recover PILOT Payments
   b) Shoreham Property Tax Settlement Rider
   c) New York State Assessment Factor
   d) Revenue Decoupling Mechanism
   e) Delivery Service Adjustment
   f) The Merchant Function Charge

XI. NYSERDA Loan Installment Program (continued):

B. Operation of the Program (continued):

5. In the event that the NYSERDA Loan Installment Charges are in arrears when a Customer's account is closed, billed NYSERDA Loan Installment Charges may be transferred to the Customer's new account in accordance with the requirements of Public Service Law §31 and the Tariff.

6. If the Customer does not establish a new account with the Authority within forty-five (45) calendar days after the Customer's account is closed, NYSERDA will assume the responsibility for the collection of arrears from the NYSERDA Loan Installment Charges.

7. The NYSERDA Loan Installment obligation shall survive changes in ownership, tenancy, and meter account responsibility at the premises where the energy efficiency measures were installed unless such obligation has been fully satisfied.

    a) In the event that the NYSERDA Loan Installment obligation has not been satisfied and a successor account is opened for the same premises' meter, the Authority will provide successor customer information to NYSERDA, or its agents

    b) Prior to the Authority establishing NYSERDA Loan Installment Charges on a successor account, NYSERDA must provide supporting information to the Authority for establishing such payments in the same manner and format used to establish a new participant's enrollment.

    c) All relevant sections of the Tariff regarding the NYSERDA Loan Installment Program will apply to the successor account holder duly enrolled by NYSERDA.

8. In accordance with § 1020-hh of the Public Authorities Law, the Authority may suspend its offering of the on-bill recovery charge regarding the NYSERDA Loan Installment Program provided that the Authority makes a finding that there is a significant increase in arrears or utility service disconnections that the Authority determines is directly related to such charge, or a finding of other good cause.

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 the Authority 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 the Tariff on an equal basis with the Authority's own charges, including but not limited to:

a) Service may be terminated in accordance with the Tariff for failure to pay all or a portion of the Securitization Charge.

b) Late Payment Charges will apply to the Securitization Charge.

XIII. Dynamic Load Management

A. Direct Load Control Program

1. Purpose and Applicability:

   The Direct Load Control ("DLC") Program allows the Authority to remotely control the Participating Customer's Control Device to reduce the Customer's load during an Event. The program utilizes third-party Control Devices Providers to identify Participants and install and manage the Control Devices that meet the Authority's specifications for communications.

   Participation is applicable to Customers served at Primary and Secondary voltage in the Service Classifications listed below in all locations within the Service Area, except for those described in the Statement of Direct Load Control Program Payments.

   Service Classification No. 1 (Rate Codes 180, 194, 195, 580; excluding 480 and 481)
   Service Classification No. 1–VTOU (Rate Codes 190, 191, 192, 193)
   Service Classification No. 2 (Rate Code 280)
   Service Classification No. 2-VMRP (Rate Code 292)
   Service Classification No. 2-L (Rate Codes 281, 291, 283)
   Service Classification No. 2L-VMRP (Rate Code 294)
   Service Classification No. 2-MRP (Rate Codes 284, 285, M284, M285)

2. Eligibility:

   To participate under this program, a Customer must have load controllable equipment and agree to the installation of a Control Device.

   This program is not available to Customers who participate either directly or indirectly through a third-party, under any other Authority or NYISO demand-response program.

   The Manager may, in the future, offer an alternate direct load control program through a third-party vendor to Customers in a defined geographic area. In coordination with non-wires alternatives such as these, eligibility for the DLC Program for Customers within such designated area(s) may be temporarily restricted such that only Customers who have applied to and been rejected from the alternate third-party vendor program will be eligible for enrollment within the Authority's DLC Program. Such restriction on application to the DLC Program shall cease upon the earlier of (a) the date on which the alternate program achieves the amount of peak load reduction in the designated area specified by the Manager, and (b) the exclusivity deadline specified by the Manager. A list of geographic areas in which this provision applies will be set forth in the Statement of Direct Load Control Program Payments which will be amended from time to time to reflect new and completed alternate programs.

3. Definitions:

   Control Device: A device installed on the Customer's load controllable equipment via a smart plug or embedded control that allows the Authority to remotely control the equipment when an Event is called. For purposes of this program, Control Device means one or more devices as may be required to control the equipment. Each Control Device contains a feature that allows the Customer to override the Authority's control of the Customer's equipment. The Control Device must be provided, installed, and connected to the Internet by the Customer or an approved Control Device Provider in a manner that ensures communications between the Authority and the Control Device.

XIII. Dynamic Load Management

A. Direct Load Control Program (continued):
Definitions (continued)

Event(s): For the full duration that the Authority activates some or all of the participating Control Devices including but not limited to situations when: (a) the NYISO declares an emergency in conjunction with an in-day peak hour forecast response to an operating reserve peak forecast shortage; or (b) in response to a major state of emergency as defined in Section 3.2 of the NYISO Emergency Operations Manual; or (c) at the NYISO's discretion to relieve system or zonal emergencies; or (d) the Authority determines that a NYISO or Authority peak may occur; or the Authority at its discretion identifies a need to reduce load throughout the Authority's system generally or at specific locations

Control Device Provider: A provider registered with the Authority to develop, maintain, and operate a communications portal that enables Internet-connected Control Devices to participate under this program. A list of Control Device Providers is available on the Manager's website.

4. Applications:

Applications to participate under this program may be made throughout the year either electronically or in writing.

5. Payments to Participating Customers

a) Payments to Participating Customers will be established on a Statement of Direct Load Control Payments to be updated as needed by the Authority staff in consultation with the Department of Public Service. The Authority reserves the right to modify this Statement, including to establish program payments that are differentiated based on the location and demand of the controllable equipment, and to terminate payments at any time, as qualified below.

b) Customers enrolling in the program through a Control Device Provider will receive a one-time sign-up payment per Control Device as established on the Statement of Direct Load Control Program Payments, either by check or bill credit at the Authority's discretion, after the Authority and/or Control Device Provider has confirmed the Authority's ability to communicate with the Control Device. The one-time enrollment payment for a Control Device will only be paid once for the lifetime of the Control Device regardless of active participation by the Customer in the Direct Load Control Program or other Authority funded demand response programs.

c) Starting with the second Summer Period (defined hereunder as May 1 through September 30) in which the Customer participates, the Customer will be eligible for an annual incentive payment as established on the Statement of Direct Load Control Program Payments, payable by check or bill credit at the Authority's discretion, after each Summer Period in which the Authority can verify that the Customer allowed the Authority to control the Control Device for fifty percent (50%) or more of Events declared by the Authority during each year's Summer Period.

d) Failure to qualify for the annual incentive payment in one (1) year does not affect the participating Customer's eligibility to receive annual incentive payments in subsequent years.

e) The Authority may discontinue annual incentive payments to Customers after the fifth (5^{th}) year of participation if the Authority determines that the program should be discontinued or significantly modified. Upon making such a determination, Customers that have participated for less than five (5) years will remain eligible to receive annual incentive payments until they have completed their fifth (5^{th}) year of participation.

XIII. Dynamic Load Management

A. Direct Load Control Program (continued):

6. Load Controllable Equipment

The Authority reserves the right to specifically identify, or designate the criteria for identifying, the types of equipment that qualify as load controllable equipment for purposes of this program. Load controllable equipment includes central air conditioning units and pool pumps, and any other device or combination of devices attached to a single Customer's meter that have the ability to reduce load by 1.0 kW when an Event is called by the Authority. The specific equipment or criteria for identifying specific equipment will be developed by the Authority's staff with input from the Department of Public Service and posted on the Manager's website.

XIII. Dynamic Load Management

B. Commercial System Relief Program

1. Purpose and Availability

The Commercial System Relief Program is being offered by the Authority to enable participating eligible Customers to be compensated for reducing their load under certain conditions when called upon by the Authority to do so**.**

The program is available to any Customer served at transmission, primary or secondary voltage and taking service under one of the Service Classifications shown below; and to any Aggregator that meets the requirements of this Rider.

Service Classification No. 1 (Rate Codes 180, 194, 195, 580)
Service Classification No. 1-VTOU (Rate Codes 190, 191, 192, 193)
Service Classification No. 2 (Rate Code 280)
Service Classification No. 2-VMRP (Rate Code 292)
Service Classification No. 2-L (Rate Codes 281, 291, 283)
Service Classification No. 2-L-VMRP (Rate Code 294)
Service Classification No. 2-MRP (Rate Codes 284, 285, M284, M285)
Service Classification Nos. 11, 12, and 13 (Rate Codes 289, 179, 680,682, 278)

Customers who take service pursuant to the Direct Load Control Program are not eligible to participate in this program.

Customer-generators subject to Value Stack compensation may choose to waive the DRV compensation of the Value Stack and opt-in to participating in the Commercial System Relief Program (CSRP). Opting into the CSRP Program is a one-time irreversible decision which may be made at any point during the project's Value Stack compensation period.

The Metropolitan Transportation Authority for Traction Power Service to the Long Island Rail Road and Brookhaven National Laboratories pursuant to a Sale for Resale agreement between the Authority and the New York Power Authority (both as referenced on Leaf No. 271) are not eligible to participate.

2. Definitions:

Aggregator: A party other than the Authority that represents and aggregates the load of Customers who collectively have a Load Relief potential of 50 kW or greater in an Authority Designated Area and is responsible for the actions of the Customers it represents, including performance and, as applicable, repayments to the Authority. A Direct Participant may combine multiple customer locations to meet the Load Relief potential requirements of an aggregator.

Authority Designated Area: An electrically defined area determined by the Authority to be approaching system capacity limits during peak periods. A current list of the Authority Designated Areas will be listed on the Manager's website and payments by area are listed on the Statement of Commercial System Relief Program Payments.

Capability Period: The period during which the Authority can request Load Relief. The Capability Period will be from May 1 through September 30.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):
Definitions (continued):

CBL: A Customer Baseline Load Verification Methodology is calculated using one of the following three methods: (1) “5 of 10 Day Weather-Adjusted CBL”; (2) “5 of 10 Average-Day CBL”; or (3) “10 Day Weather-Adjusted CBL.” The Customer Baseline Load methodologies are further described in the Authority’s DLM operating procedures, which is available on the Manager’s website.

CBL Verification Methodology: The methodology used by the Authority to verify the actual Load Relief provided (kW and kWh) during each hour of each designated Load Relief Period and Test Event. Actual load levels are compared to the customer baseline loads to verify whether the Direct Participant or Aggregator provided the kW of contracted Load Relief; provided, however, that the Authority may estimate the data pursuant to the Authority's operating procedure if data is not available for all intervals. When a weather-adjusted CBL methodology is used and the calculated weather adjustment falls outside of the Authority defined ranges (i.e., the Authority deems the weather to be atypical on the day of a Load Relief Period or Test Event when compared to the baseline period), the Authority may review and revise a participant’s baseline based on the Customer’s historical load data. When a weather-adjusted CBL methodology is used, the Authority, at its own discretion, may select alternate hours for the adjustment period to calculate the weather adjustment in order to accurately reflect the Customer’s typical usage.

Contracted Hours: The four-hour period within a weekday, Monday through Friday during the Capability Period excluding PSEG Long Island Holidays, during which the Direct Participant or Aggregator contracts to provide Load Relief in an Authority Designated Area whenever the Authority designates a Planned Event. The Load Relief Period will be identified for each Authority Designated Area on the Manager’s website.

Direct Participant: A Customer who enrolls under this program directly with the Authority for a single account and agrees to provide at least 50 kW of Load Relief.

Electric Generating Equipment: (a) electric generating equipment that is served under Service Classification No. 11 or 12 and used to provide Load Relief under this program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with Authority rules governing Emergency Generating Facilities used for self supply and used to provide Load Relief under this program.

Load Relief: Power (kW) and energy (kWh): (a) ordinarily supplied by the Authority that is displaced by use of Electric Generating Equipment and/or reduced by the Direct Participant or Aggregator at the Customer’s premises; or (b) that is produced by use of Electric Generating Equipment by a Customer taking service pursuant to Service Classification No. 11 and delivered by that Customer to the Authority’s distribution system during a Load Relief Period.

Load Relief Period: The hours for which the Authority requests Load Relief when it designates a Planned Event or an Unplanned Event.

New Participant: An Aggregator or Direct Participant that has not previously participated in a call for Load Relief under the Commercial System Relief Program.

Performance Adjusted kW: The kW level that a Direct Participant or Aggregator requests to provide subsequent to the Direct Participant or Aggregator performance during an event.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):
Definitions (continued):

Performance Factor: When a Planned Event or Test Event is called, is the ratio of: (i) the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the requested hours, up to the kW of contracted Load Relief to (ii) the kW of contracted Load Relief. The Performance Factor is subject to certain adjustments and limitations as described in Section XIII.B.9.e below.

Planned Event: The Authority's request, on not less than twenty-one (21) hours' advance notice, for Load Relief during the Contracted Hours. Planned Events will be called when the Authority's day- ahead forecasted load level is at least 94 percent of the forecasted summer system-wide peak. Day-ahead and summer peak forecast information for the system will be posted to the Manager's website.

Qualifying Paired Battery Storage Equipment: New battery storage projects paired with Eligible Net Metering Technology and installed on the Authority's system after March 1, 2019 that have applied for and received a commitment from the Authority to lock in the current Reservation Payment price for a period of ten (10) years.

Qualifying Stand-alone Battery Storage Equipment: New Stand-alone battery storage projects installed on the Authority's system after March 1, 2019 that have applied for and received a commitment from the Authority to lock in the current Reservation Payment price for a period of ten (10) years. Qualifying Stand-alone Battery Storage Equipment is not a net metering eligible technology.

Test Event: The Authority's request for Direct Participants and Aggregators to provide one hour of Load Relief on not less than twenty-one (21) hours' advance notice.

Unplanned Event: The Authority's request for Load Relief: (a) on less than twenty-one (21) hours' advance notice; or (b) for hours outside of the Contracted Hours.

3. Contracting for Commercial System Relief Program Service

This program is applicable to Direct Participants and Aggregators who agree in writing to provide Load Relief in an Authority Designated Area during all Contracted Hours in such Authority Designated Area, whenever the Authority designates a Planned Event during a Capability Period. Direct Participants and Aggregators may also agree to voluntarily provide Load Relief if an Unplanned Event is called. Authority Designated Areas will be posted on the Manager's website.

A Direct Participant must contract to provide at least 50 kW of Load Relief. An Aggregator must contract to provide at least 50 kW of Load Relief. Direct Participants or Aggregators that wish to participate on a voluntary basis may request a value of 0 kW of contracted Load Relief.

If other requirements for service under this program are met, Electric Generating Equipment may be used to participate under this program subject to the provisions set forth in Section XIII.B.7 below. The participating Direct Participant or Aggregator is responsible for ensuring that the operation of generating equipment under this Program will be in conformance with any governmental limitations on operation.

Participation under this program is permitted to participants in other programs that provide payment for capacity, such as the NYISO's Special Case Resources ("SCR") Program (or any successor Authority program to the NYISO's SCR Program).

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):
Contracting for Commercial System Relief Program Service (continued):

Direct Participants and all customers of an Aggregator must meet the metering requirements specified in Section XIII.B.6.

An Aggregator is responsible for the compliance of all customers it enrolls and will be liable for performance, including, as applicable, repayments to the Authority.

The Authority reserves the right to establish operating procedures and various forms for the implementation of this program. Direct Participants and Aggregators must abide by such operating procedures and utilize such forms to be eligible for participation.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):

4. Applications for Participation

   a) Applications for participation under this program must be made electronically. Direct Participants and Aggregators may participate after the Authority's receipt and approval of a completed application. The Authority will accept an application by April 1 for a May 1 commencement date, or by May 1 for a June 1 commencement date. However, if the application is received by April 1 and the Authority does not bill the participant monthly using interval metering at the time of application, participation may commence on July 1 provided all conditions in Section XIII.B.6. are satisfied.

   b) The desired commencement month must be specified in the application. Applications will not be accepted after the specified date for participation during the current Capability Period. If the first of the month falls on a weekend or PSEG Long Island Holiday, applications will be accepted until the first business day thereafter.

   c) The Authority will accept applications for participation in the Voluntary Participation Option under the program at any time provided the metering and communications requirements are satisfied as specified in Section XIII.B.6.

   d) Participants without Qualifying Paired Battery Storage Equipment and without Eligible Net Metering Technology will receive the "5 of 10 Day Weather Adjusted CBL" as the default CBL Verification Methodology unless the application specifies that the "10 Day Weather –Adjusted CBL" or the "5 of 10 Average-Day CBL" is to be used for verification of performance. A single CBL Verification Methodology will be used for each customer to assess both energy (kWh) and demand (kW) Load Relief.

   e) Eligible Net Metering Technology will receive the "10 Day Weather-Adjusted CBL" for verification of performance.

   f) Participants without Qualifying Paired Battery Storage Equipment and without Eligible Net Metering Technology may apply in writing prior to the start of the Capability Period to change the CBL Verification Methodology.

   g) Participants with Qualifying Paired Battery Storage Equipment or Qualifying Stand-alone Battery Storage Equipment projects may choose to receive the performance measure based on the battery output directly measured through a third-party vendor or the CBL Verification Methodology using the "10 Day Weather-Adjusted CBL."

   h) A Direct Participant or Aggregator may apply in writing, prior to the start of the Capability Period, to change the kW of pledged Load Relief, or to terminate service under this program for the upcoming Capability Period provided the request is received prior to commencing participation for that Capability Period. In order for a Direct Participant or Aggregator to increase its kW of contracted Load Relief in an Authority Designated Area, the Direct Participant's or Aggregator's most recent Performance Factor in that Authority Designated Area must be no less than one (1.00).

   i) Each application must state the kW of Load Relief that the Direct Participant or Aggregator contracts to provide for the Load Relief Period. Load Relief of an Aggregator will be measured on a portfolio basis separately for each Authority Designated Area.

5. Notification by the Authority and Required Response

   a) The Authority will notify Direct Participants and Aggregators by phone, email, or machine-readable electronic signal, or a combination thereof, in advance of the commencement of a Load Relief Period or Test Event. The Direct Participant or Aggregator will designate in writing an authorized representative and an alternate representative, and include an electronic address if applicable, to receive the notice. If an Aggregator is served under this program, only the Aggregator will be notified of the Load Relief Period or Test Event. The Aggregator is responsible for notifying all of the customers within its respective aggregation group.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued)
Notification by the Authority and Required Response (continued):

b) The Authority will provide advance notice that a Planned Event or a Test Event may be called at least twenty-one (21) hours in advance of the event. The Authority will provide confirmation of a Planned Event or a Test Event on the day of the event, at least two (2) hours in advance of the event.

c) If the Authority designates an Unplanned Event, notice will be given as soon as practicable. Participants are requested to provide Load Relief as soon as they are able.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):
Notification by the Authority and Required Response (continued):

d) Participants are required to participate during all Contracted Hours for all Planned Events called by the Authority during the Capability Period, and all Test Events called by the Authority. The Test Event period will not exceed one (1) hour.

6. Metering

a) Participation under this program requires that each participant's entire service be measured by interval metering with communications capability which will also be used by the Authority for monthly billing. All participants designated by an Aggregator must meet the metering and telecommunications requirements specified herein.

b) If, at the time of application for service under this program, the Authority does not bill the participant monthly using interval metering, the Customer will arrange with the Authority for the furnishing and installation of interval metering with communications capability to be used for billing, at the participant's expense.

c) For participation under this program, the metering equipment and communications service must be installed and made operational prior to the Authority's acceptance of a completed application. Participation under this program will commence the first day of the first month within the Capability Period that occurs at least thirty (30) days after both the interval metering and communications service become operational.

d) The Authority will install interval metering with communications capability within twenty-one (21) business days. If the Authority misses the installation time frame for a participant, it will make a "Lost Reservation Payment" to the Direct Participant or Aggregator, unless the meter delay was caused by a condition such as a major outage or storm.

e) A Lost Reservation Payment will be calculated by determining the number of months between the earliest month in which the Customer could have begun participation had the meter been installed within the required timeframe (assuming the Authority's acceptance of a completed application and receipt of payment for the meter upgrade) and the first month following the completed installation, and multiplying that number by the pledged kW and associated per-kW Reservation Payment Rate.

f) Participants with Qualifying Paired Battery Storage Equipment or Qualifying Stand-alone Battery Storage Equipment projects who choose to receive the performance measure based on the battery output directly measured through a third-party vendor must install interval metering:

(i) measures the output of the battery storage equipment
(ii) with communications capability to a qualified third-party vendor
(iii) within twenty-one (21) business days.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):

7. Operation of Electric Generating Equipment

a) Participation by diesel-fired Electric Generating Equipment will be permitted only if the engine for the equipment is model year 2000 or newer. Participation by diesel-fired Electric Generating Equipment will be limited to 20 percent of the total kW enrolled under this program for the Capability Period. Enrollment by such generators will be accepted on a first come, first served basis. No limit or cap will be placed on the following: natural gas-fired rich burn Electric Generating Equipment that incorporates three-way catalyst emission controls; natural gas lean-burn Electric Generating Equipment with an engine of model year 2000 or newer; or Electric Generating Equipment that has a NOx emission level of no more than 2.96 lbs/MWh.

b) If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this program and the Authority has approved the interconnection of such equipment, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, date of manufacture, fuel type or energy source, the kW enrolled using this equipment, and identification as to whether the unit incorporates three-way catalyst emission controls (natural gas-fired rich burn), a natural gas lean-burn engine of model year 2000 or newer, or a diesel-fired engine of model year 2000 or newer, or whether it has a NOx emission level of no more than 2.96 lbs/MWh. If the generating equipment has a NOx emission level of no more than 2.96 lbs/MWh, but is not natural gas-fired rich burn generating equipment that incorporates three-way catalyst emission controls, a natural gas lean-burn engine of model year 2000 or newer, or a diesel-fired engine of model year 2000 or newer, written certification by a professional engineer must be contained in the application, including the NOx emission level. Copies of all New York State Department of Environmental Conservation ("DEC") permits must be included with the application. By applying for service under this program, Direct Participants and Aggregators (on behalf of their customers) agree to permit the Authority to provide information regarding the Electric Generating Equipment to the DEC for its review, subject to the DEC's agreement to keep this information confidential. Furthermore, participants enrolled in a NYISO market-based program offered by the Authority, NYPA or other entity, such as the Day-Ahead Demand Response Program or the Demand-Side Ancillary Service Program, must provide the Authority with their NYISO generator identification number, under a confidentiality agreement, and give the Authority the ability to view their market participation activity. This information will be used to verify the times of participation in these other programs to prevent double-payment during concurrent events.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):

8. Data Review

a) The Authority reserves the right to review records and/or operations of any Direct Participant, Aggregator, and customer of an Aggregator, to verify enrollment information and performance associated with any designated Load Relief Period or Test Event called by the Authority.

(1) Once the Authority initiates a data review, all payments will be suspended pending the outcome of the review.

(2) The Authority will complete its review within thirty (30) days of receipt of all requested data, but no later than December 31 of the calendar year of the Capability Period under review.

(3) Any suspended payments will be reinstated if the Authority's review of the data results in a finding that the enrollment and performance information are correct.

b) If the Authority determines that a Direct Participant, Aggregator, or customer of an Aggregator failed to cooperate fully and promptly with the review and/or did not fully comply with the provisions of this program and/or provided inaccurate data, the Direct Participant Aggregator or the customer of the Aggregator will be deemed ineligible to participate in the program until the issue is rectified. In addition, the Direct Participant or Aggregator will be required to make prompt repayment to the Authority of any overpayments that were made to such Direct Participant or Aggregator, on behalf of its customer, for the Capability Period that was reviewed as well as the current Capability Period, if different.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):

9. Reservation Payment

a) Direct Participants and Aggregators will receive a Reservation Payment for each month during the Capability Period in which they are enrolled for a maximum of five payments per calendar year. Reservation Payments will be calculated on a monthly basis. Payments will be made by bill credit, check, or wire transfer.

b) The Reservation Payment rate per kW is based on the number of cumulative Planned Events for which the Direct Participant or Aggregator was asked to provide Load Relief during the Capability Period, as follows:

(1) The Reservation Payment rate may vary by location and by the number of times the Direct Participant or Aggregator is asked to provide Load Relief, and may be eligible for a lock-in option as described below.

(2) The Authority reserves the right to identify additional locations and establish corresponding rates or lock-in options for Reservation Payments from time-to-time based on reports and recommendations from the Authority's staff which will be provided at least annually.

(3) The identification of applicable locations and corresponding rates for Reservation Payments and lock-in options will be provided on a Statement of Commercial System Relief Program Payments to be updated as needed by the Authority's staff in consultation with the Department of Public Service

(4) For Qualifying Paired Battery Storage Equipment and Qualifying Stand-alone Battery Storage Equipment projects enrolled as a Direct Participant or through an Aggregator, the Authority reserves the right to lock in a Reservation Payment price as of the date of project enrollment in the program for a period of ten (10) years.

c) The Reservation Payment per month is equal to the applicable Reservation Payment rate per kW per month multiplied by the kW of contracted Load Relief multiplied by the Performance Factor. For an Aggregator, the Reservation Payment will be based on a Load Relief weighted Reservation Payment rate which will be equivalent to the sum of the Reservation Payments owed to the Aggregator's enrolled participants.

d) Voluntary Option: Direct Participants or Aggregators that wish to participate on a Voluntary Basis may establish 0 kW of contracted Load Relief.

e) Performance Factor

(1) The Performance Factor for each New Participant is initially set at 0.50 in the current Capability Period and will remain at that level until the first month in which a Load Relief Period or Test Event is called. For New Participants the first Performance Factor that is measured will be applied retroactively, starting with the enrollment month, to true-up the Reservation Payments for the prior month(s). For returning Direct Participants and Aggregators the Performance Factor will be set to the last value established during the previous Capability Period.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):
Reservation Payment (continued):

(2) In each subsequent month, the achieved average kW load reduction during a Planned Event (not to exceed the first four (4) hours) and Test Event is divided by the contract kW to calculate a new ratio. When more than one (1) Planned Event and/or Test Event is called during the month, the average of the Performance Factors of all events for a Direct Participant or Aggregator in each Authority Designated Area is the Performance Factor for that month. If no Planned or Test events are called in the month, then the Performance Factor continues unchanged from the prior month.

(3) Performance Factor calculated at or below 0.25 will be set to zero (e.g. 0.00).

(4) The Performance Factor is rounded to two decimal places (e.g., 0.99).

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):
Reservation Payment (continued):

(5) Direct Participants and Aggregators can increase their Performance Factor and corresponding Reservation Payment prospectively by requesting a Performance Adjusted kW. The Performance Adjusted kW must be:

(a) No higher than the average hourly kW of Load Relief that was provided during the most recent single event (i.e., Test Event, Planned Event, or Unplanned Event);

(b) No lower than the kW of Load Relief on which the last payment was based; and

(c) It cannot exceed the kW of contracted Load Relief.

(6) The Performance Factor will be recalculated as the Performance Adjusted kW divided by the Contract kW and will become effective on the first of the month following the date the request is received. If the request is received late due to the Authority's delay in providing interval meter data, the Performance Adjusted kW will be applied retroactively, effective as of the first of the month after the event on which the Performance Adjusted kW calculation is based occurred.

(7) The new Performance Factor will remain in effect until the earlier of:

(a) The month in which a new Performance Adjusted kW is requested and approved pursuant to (4) above; or

(b) A new lower Performance Factor is calculated based on the results of monthly performance; or

(c) The term of service under this program ends.

(8) Once a Performance Adjustment is in effect, a Direct Participant or Aggregator may request subsequent increases to the Performance Adjusted kW if the updated kW level meets the requirements for Performance Adjusted kW. No more than one (1) request will be accepted per month to increase the Performance Adjusted kW. The Performance Adjustment will become effective commencing the first day of the first calendar month that follows the Authority's receipt of the request to initiate or update the Performance Adjusted kW.

(9) Requests for Performance Adjusted kW cannot be used to lower the Performance Factor under this program.

XIII.Dynamic Load Management

B. Commercial System Relief Program (continued):
Reservation Payment (continued)

f) Adjustments to the Contract kW during the Capability Period

1) An Aggregator may increase its kW of pledged Load Relief during a Capability Period only if it enrolls Customers whose Aggregator either exits the program or is suspended from enrollment in the program for noncompliance with Aggregator eligibility requirements or the Company's operating procedures. In such case, the Aggregator may increase its kW of pledged Load Relief up to the amount of the transferred Customers' existing kW of pledged Load Relief.

10. Performance Payments for Load Relief

a) Except as specified in Section XIII.B.10.d below, the Authority will make a payment to a Direct Participant or Aggregator who provides Load Relief during a Planned Event, Test Event, or Unplanned Event.

b) The Performance payment rate may vary by location, type of event, duration of the event, number of times the Direct Participant or Aggregator is asked to provide Load Relief, and whether the Customer is participating on a voluntary basis.

(1) The Performance Payment rate is specified on the Statement of Commercial System Relief Program Payments.

(2) The Authority reserves the right to identify additional locations, equipment and establish corresponding rates for Performance Payments from time to time based on reports and recommendations from the Authority's staff which will be provided at least annually.

(3) The identification of applicable locations, equipment and corresponding rates for Reservation Payments will be provided on a Statement of Commercial System Relief Program Payments to be updated as needed by the Authority's staff in consultation with the Department of Public Service.

c) The Performance Payment amount paid per event is equal to the Performance Payment rate per kWh multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

d) Performance Payments will not be made under this program if the Direct Participant or Aggregator (on behalf of its Customer) receives payment for energy during concurrent Load Relief hours under any other demand response program (e.g., NYISO's Day-Ahead Demand Reduction Program or NYISO's Special Case Resources Program) in which the Customer is enrolled. Direct Participants or Aggregators who also participate in the Distribution System Relief Program during concurrent Load Relief hours will only receive Performance Payments under this program.

e) If an S.C. No. 11 Customer participates in the NYISO market and receives payment for energy during concurrent Load Relief hours, Performance Payments will be made under this Program only for Load Relief in excess of the Customer's CBL, expressed in kWh.

XIII. Dynamic Load Management

B. Commercial System Relief Program (continued):

11. Testing

a) The Authority may require a Direct Participant or Aggregator to participate in one (1) or more Test Events, each for a period not to exceed one (1) hour, commencing at a time determined solely at Authority's discretion, but within the Contracted Hours.

b) The Authority will make a payment for one (1) hour of energy for the Load Relief achieved up to the contracted amount, as specified above.

XIII. Dynamic Load Management

C. Distribution Load Relief Program

1. Purpose and Availability

The Distribution Load Relief Program is being offered by the Authority to enable participating eligible Customers to be compensated for reducing their load under certain conditions when called upon by the Authority to do so**.**

The program is available to any Customer served at primary or secondary voltage and taking service under one of the Service Classifications shown below; and to any Aggregator that meets the requirements of this Rider.

Service Classification No. 1 (Rate Codes 180, 194, 195, 580)
Service Classification No. 1-VTOU (Rate Codes 190, 191, 192, 193)
Service Classification No. 2 (Rate Code 280)
Service Classification No. 2-VMRP (Rate Code 292)
Service Classification No. 2-L (Rate Codes 281, 291, 283)
Service Classification No. 2-L-VMRP (Rate Code 294)
Service Classification No. 2-MRP (Rate Codes 284, 285, M284, M285)
Service Classification Nos. 11, 12, and 13 (Rate Codes 289, 179, 680, 682, 278)

Customers who take service pursuant to the Direct Load Control Program are not eligible to participate in this program.

The Metropolitan Transportation Authority for Traction Power Service to the Long Island Rail Road and Brookhaven National Laboratories pursuant to a Sale for Resale agreement between the Authority and the New York Power Authority (both as referenced on Leaf No. 271) are not eligible to participate.

2. Definitions:

Aggregator: A party other than the Authority that represents and aggregates the load of Customers who collectively have a Load Relief potential of 50 kW or greater in an Authority Designated Area and is responsible for the actions of the Customers it represents, including performance and, as applicable, repayments to the Authority. A Direct Participant may combine multiple customer locations to meet the Load Relief potential requirements of an Aggregator.

Authority Designated Area: An electrically defined area determined by the Authority to be approaching system capacity limits during peak periods. A current list of the Authority Designated Areas will be listed on the Manager’s website and Reservation Payments by area are listed on the Statement of Distribution Load Relief Program Payments.

Capability Period: The period during which the Authority can request Load Relief. The Capability Period will be from May 1 through September 30.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):
Definitions (continued):

CBL: A Customer Baseline Load Verification Methodology is calculated using one of the following three methods: (1) “5 of 10 Day Weather Adjusted CBL” (2) “5 of 10 Day Average-Day CBL” or (3) “10 Day Weather Adjusted CBL.” The Customer Baseline Load methodologies are further described in the Authority’s DLM operating procedures, which is available on the Manager’s website.

CBL Verification Methodology: The methodology used by the Authority to verify the actual Load Relief provided (kW and kWh) during each hour of each designated Load Relief Period and Test Event. Actual load levels are compared to the customer baseline loads to verify whether the Direct Participant or Aggregator provided the kW of contracted Load Relief; provided, however, that the Authority may estimate the data pursuant to the Authority's operating procedure if data is not available for all intervals. When a weather-adjusted CBL methodology is used and the calculated weather adjustment falls outside of the Authority defined ranges (i.e., the Authority deems the weather to be atypical on the day of a Load Relief Period or Test Event when compared to the baseline period), the Authority may review and revise a participant’s baseline based on the Customer’s historical load data. When a weather-adjusted CBL methodology is used, the Authority, at its own discretion, may select alternate hours for the adjustment period to calculate the weather adjustment in order to accurately reflect the Customer’s typical usage.

Contingency Event: a Load Relief Period lasting four (4) or more hours for which the Authority provides two (2) or more hours of advance notice.

Direct Participant: A Customer who enrolls under this program directly with the Authority for a single account and agrees to provide at least 50 kW of Load Relief.

Electric Generating Equipment: (a) electric generating equipment that is served under Service Classification No. 11 or 12 and used to provide Load Relief under this program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with Authority rules governing Emergency Generating Facilities used for self-supply and used to provide Load Relief under this program.

Immediate Event: a Load Relief Period lasting six (6) or more hours for which the Authority provides less than two (2) hours of advance notice.

Load Relief: Power (kW) and energy (kWh): (a) ordinarily supplied by the Authority that is displaced by use of Electric Generating Equipment and/or reduced by the Direct Participant or Aggregator at the Customer’s premises; or (b) that is produced by use of Electric Generating Equipment by a Customer taking service pursuant to Service Classification No. 11 and delivered by that Customer to the Authority’s distribution system during a Load Relief Period.

Load Relief Period: The hours for which the Authority requests Load Relief when it designates a Contingency Event or an Immediate Event. Load Relief will not be required between the hours of 12:00 AM and 6:00 AM.

XIII.Dynamic Load Management

C. Distribution Load Relief Program (continued):
Definitions (continued)

New Participant: An Aggregator or Direct Participant that has not previously participated in a call for Load Relief under the Distribution Load Relief Program.

Performance Factor: When a Contingency Event, Immediate Event or Test Event is called, is the ratio of: (i) the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the requested hours, up to the kW of contracted Load Relief to (ii) the kW of contracted Load Relief. The Performance Factor is subject to certain adjustments and limitations as described in Section XIII.C.10.e below.

Qualifying Paired Battery Storage Equipment: New battery storage projects paired with eligible generation technology and installed on the Authority's system after March 1, 2019 that have applied for and received a commitment from the Authority to lock in the current Reservation Payment price for a period of ten (10) years.

Qualifying Stand-alone Battery Storage Equipment: New Stand-alone battery storage projects installed on the Authority's system after March 1, 2019 that have applied for and received a commitment from the Authority to lock in the current Reservation Payment price for a period of ten (10) years. Qualifying Stand-alone Battery Storage Equipment is not a net metering eligible technology.

Test Event: The Authority's request for Direct Participants and Aggregators to provide one (1) hour of Load Relief on not less than two (2) hours of advance notice.

3. Contracting for Distribution Load Relief Program Service

This program is applicable to Direct Participants and Aggregators who agree in writing to provide Load Relief for no less than four (4) consecutive hours in an Authority Designated Area whenever the Authority designates a Load Relief Period during the Capability Period. If Direct Participants and Aggregators provide Load Relief for no less than four (4) consecutive hours in an Authority Designated Area for seven (7) or more Load Relief Periods during a single Capability Period, the remaining Reservation Payments for that Capability Period will be increased per the amount listed on the Statement of Distribution Load Relief Program Payments. Authority Designated Areas will be posted on the Manager's website.

A Direct Participant in the Reservation Payment Option must contract to provide at least 50 kW of Load Relief. An Aggregator in the Reservation Payment Option must contract to provide at least 50 kW of Load Relief. Direct Participants or Aggregators that wish to participate on a voluntary basis may request a value of 0 kW of contracted Load Relief.

If all other requirements for service under this program are met, Electric Generating Equipment may be used to participate under this program subject to the provisions set forth in Section XIII.C.8 below. The participating Direct Participant or Aggregator is responsible for ensuring that the operation of generating equipment under this program will be in conformance with any governmental limitations on operation.

Participation under this program is permitted to participants in other programs that provide payment for capacity, such as the NYISO's Special Case Resources ("SCR") Program (or any successor Authority program to the NYISO's SCR Program).

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):
Contracting for Distribution Load Relief Program Service (continued):

Direct Participants and all customers of an Aggregator must meet the metering requirements specified in Section XIII.C.7.

An Aggregator is responsible for the compliance of all customers it enrolls and will be liable for performance, including, as applicable, repayments to the Authority.

The Authority reserves the right to establish operating procedures and various forms for the implementation of this program. Direct Participants and Aggregators must abide by such operating procedures and utilize such forms to be eligible for participation.

XIII.Dynamic Load Management

C. Distribution Load Relief Program (continued):

4. Applications for Participation

a) Applications for participation under this program must be made electronically. Direct Participants and Aggregators may participate after the Authority's receipt and approval of a completed application. The Authority will accept an application by April 1 for a May 1 commencement date or by May 1 for a June 1 commencement date. However, if the application is received by April 1 and the Authority does not bill the participant monthly using interval metering at the time of application, participation may commence on July 1 provided all conditions in Section XIII.C.7. are satisfied. Applicants with existing requisite metering and communication capabilities as specified in Section XIII.B.6. who wish to participate in the program on a voluntary basis may apply at any time.

b) The desired commencement month must be specified in the application. Applications will not be accepted after the specified date for participation during the current Capability Period. If the first of the month falls on a weekend or PSEG Long Island Holiday, applications will be accepted until the first business day thereafter.

c) Participants without Qualifying Paired Battery Storage Equipment and without Eligible Net Metering Technology, the "5 of 10 Day Weather Adjusted CBL" will be the default CBL Verification Methodology, unless the application specifies that the "10 Day Weather-Adjusted CBL" or "5 of 10 Day Average-Day CBL" is to be used for verification of performance. A single CBL Verification Methodology will be used for each customer to assess both energy (kWh) and demand (kW) Load Relief.

d) Eligible Net Metering Technology will receive the "10 Day Weather-Adjusted CBL" for verification of performance.

e) Participants without Qualifying Paired Battery Storage Equipment and without Eligible Net Metering Technology may apply in writing prior to the start of the Capability Period to change the CBL Verification Methodology.

f) Participants with Qualifying Paired Battery Storage Equipment or Qualifying Stand-alone Battery Storage Equipment projects may choose to receive the performance measure based on the battery output directly measured through a third-party vendor or the CBL Verification Methodology using the "10 Day Weather-Adjusted CBL."

g) A Direct Participant or Aggregator may apply in writing to prior to the start of the Capability Period, to change the kW of pledged Load Relief, or to terminate service under this Program for the upcoming Capability Period provided the request is received prior to commencing participation for that Capability Period. In order for a Direct Participant or Aggregator to increase its kW of contracted Load Relief in an Authority Designated Area, the Direct Participant's or Aggregator's most recent Performance Factor in that Authority Designated Area must be no less than one (1.00).

h) Each application must state the kW of Load Relief that the Direct Participant or Aggregator contracts to provide for the Load Relief Period. Load Relief of an Aggregator will be measured on a portfolio basis separately for each Authority Designated Area.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):

5. Load Relief Period Criteria

Criteria for Designating a Load Relief Period: If the Authority declares a need for emergency or non-emergency relief, within the limitations described by 40 CFR 63.6640 subparts (f)(2) and (f)(4) or if a voltage reduction of five percent (5%) or greater has been ordered, the Authority may designate such period as a Load Relief Period. The Authority may designate specific feeders or geographical areas in which Load Relief shall be requested.

6. Notification by the Authority and Required Response

a) The Authority will notify Direct Participants and Aggregators by phone, email, or machine-readable electronic signal, or a combination thereof, of the commencement of a Load Relief Period or Test Event. The Direct Participant or Aggregator will designate in writing an authorized representative and an alternate representative, and include an electronic address if applicable, to receive the notice. If an Aggregator is served under this program, only the Aggregator will be notified of the Load Relief Period or Test Event. The Aggregator is responsible for notifying all of the customers within its respective aggregation group.

b) If the Authority designates a Contingency Event or a Test Event, the Authority will provide advance notice at least two (2) hours in advance of the event.

c) If the Authority designates an Immediate Event, notice will be given as soon as practicable. Participants are requested to provide Load Relief as soon as they are able.

d) Participants are required to participate during all Contracted Hours for all Contingency Events and Immediate Events called by the Authority during the Capability Period, and all Test Events called by the Authority. The Test Event period will not exceed one (1) hour and will not be called between the hours of 12:00 AM and 6:00 AM.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):

7. Metering

a) Participation under this program requires that each participant's entire service be measured by interval metering with communications capability which will also be used by the Authority for monthly billing. All participants designated by an Aggregator must meet the metering and telecommunications requirements specified herein.

b) If, at the time of application for service under this program, the Authority does not bill the participant monthly using interval metering, the Customer will arrange with the Authority for the furnishing and installation of interval metering with communications capability to be used for billing, at the participant's expense.

c) For participation under this program, the metering equipment and communications service must be installed and made operational prior to the Authority's acceptance of a completed application. Participation under this program will commence the first day of the first month within the Capability Period that occurs at least thirty (30) days after both the interval metering and communications service become operational.

d) The Authority will install interval metering with communications capability within twenty-one (21) business days. If the Authority misses the installation time frame for a participant, it will make a "Lost Reservation Payment" to the Direct Participant or Aggregator, unless the meter delay was caused by a condition such as a major outage or storm.

e) A Lost Reservation Payment will be calculated by determining the number of months between the earliest month in which the Customer could have begun participation had the meter been installed within the required timeframe (assuming the Authority's acceptance of a completed application and receipt of payment for the meter upgrade) and the first month following the completed installation, and multiplying that number by the pledged kW and associated per-kW Reservation Payment Rate.

f) Participants with Qualifying Paired Battery Storage Equipment and Qualifying Stand-alone Battery Storage Equipment projects who choose to receive the performance measure based on the battery output directly measured through a third-party vendor must install interval metering that:

(i) measures the output of the battery storage equipment
(ii) with communications capability to a qualified third-party vendor
(iii) within twenty-one (21) business days.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):

8. Operation of Electric Generating Equipment

a) Participation by diesel-fired Electric Generating Equipment will be permitted only if the engine for the equipment is model year 2000 or newer. Participation by diesel-fired Electric Generating Equipment will be limited to 20 percent of the total kW enrolled under this program for the Capability Period. Enrollment by such generators will be accepted on a first come, first served basis. No limit or cap will be placed on the following: natural gas-fired rich burn Electric Generating Equipment that incorporates three-way catalyst emission controls; natural gas lean-burn Electric Generating Equipment with an engine of model year of 2000 or newer; or Electric Generating Equipment that has a NOx emission level of no more than 2.96 lbs/MWh.

b) If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this program and the Authority has approved the interconnection of such equipment, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, date of manufacture, fuel type or energy source, the kW enrolled using this equipment, and identification as to whether the unit incorporates three-way catalyst emission controls (natural gas-fired rich burn), a natural gas lean-burn engine of model year 2000 or newer, or a diesel-fired engine of model year 2000 or newer, or whether it has a NOx emission level of no more than 2.96 lbs/MWh. If the generating equipment has a NOx emission level of no more than 2.96 lbs/MWh, but is not natural gas-fired rich burn generating equipment that incorporates three-way catalyst emission controls, a natural gas lean-burn engine of model year 2000 or newer, or a diesel-fired engine of model year 2000 or newer, written certification by a professional engineer must be contained in the application, including the NOx emission level. Copies of all New York State Department of Environmental Conservation ("DEC") permits must be included with the application. By applying for service under this program, Direct Participants and Aggregators (on behalf of their customers) agree to permit the Authority to provide information regarding the Electric Generating Equipment to the DEC for its review, subject to the DEC's agreement to keep this information confidential. Furthermore, participants enrolled in a NYISO market-based program offered by the Authority, NYPA or other entity, such as the Day-Ahead Demand Response Program or the Demand-Side Ancillary Service Program, must provide the Authority with their NYISO generator identification number, under a confidentiality agreement, and give the Authority the ability to view their market participation activity. This information will be used to verify the times of participation in these other programs to prevent double-payment during concurrent events.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):

9. Data Review

a) The Authority reserves the right to review records and/or operations of any Direct Participant, Aggregator, and customer of an Aggregator, to verify enrollment information and performance associated with any designated Load Relief Period or Test Event called by the Authority.

(1) Once the Authority initiates a data review, all payments will be suspended pending the outcome of the review.

(2) The Authority will complete its review within thirty (30) days of receipt of all requested data, but no later than December 31 of the calendar year of the Capability Period under review.

(3) Any suspended payments will be reinstated if the Authority's review of the data results in a finding that the enrollment and performance information are correct.

b) If the Authority determines that a Direct Participant, Aggregator, or customer of an Aggregator failed to cooperate fully and promptly with the review and/or did not fully comply with the provisions of this program and/or provided inaccurate data, the Direct Participant, Aggregator or the customer of the Aggregator will be deemed ineligible to participate in the program until the issue is rectified. In addition, the Direct Participant or Aggregator will be required to make prompt repayment to the Authority of any overpayments that were made to such Direct Participant or Aggregator, on behalf of its customer, for the Capability Period that was reviewed as well as the current Capability Period, if different.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):

10. Reservation Payment

a) Direct Participants and Aggregators will receive a Reservation Payment for each month during the Capability Period in which they are enrolled, for a maximum of five monthly payments per calendar year. Reservation Payments will be calculated on a monthly basis. Payments will be made by bill credit, check, or wire transfer.

b) The Reservation Payment rate per kW is based on the number of cumulative Contingency Events and Immediate Events for which the Direct Participant or Aggregator was asked to provide Load Relief during the Capability Period, as follows:

(1) The Reservation Payment rate may vary by location and by the number of times the Direct Participant or Aggregator is asked to provide Load Relief, and may be subject to a lock-in option as described below.

(2) The Authority reserves the right to identify additional locations and establish corresponding rates or lock-in options for Reservation Payments from time to time based on reports and recommendations from the Authority's staff which will be provided at least annually.

(3) The identification of applicable locations and corresponding rates for Reservation Payments and lock-in options will be provided on a Statement of Distribution Load Relief Program Payments to be updated as needed by the Authority's staff in consultation with the Department of Public Service.

(4) The Authority reserves the right to lock in Reservation Payment prices as of the date of project enrollment in the program for a multiple year period, for purposes that include but are not limited to enabling location-specific or resource-specific benefits.

c) The Reservation Payment per month is equal to the applicable Reservation Payment rate per kW per month multiplied by the kW of contracted Load Relief multiplied by the Performance Factor. For an Aggregator, the Reservation Payment will be based on Load Relief weighted Reservation Payment rate, which will be equivalent to the sum of the Reservation Payments owed to the Aggregator's enrolled participants.

d) Voluntary Option: Direct Participants or Aggregators that wish to participate on a Voluntary Basis may establish 0 kW of contracted Load Relief.

e) Performance Factor

(1) The Performance Factor for each New Participant is initially set at 0.50 in the current Capability Period and will remain at that level until the first month in which a Load Relief Period or Test Event is called. For New Participants the first Performance Factor that is measured will be applied retroactively, starting with the enrollment month, to true-up the Reservation Payments for the prior month(s). For returning Direct Participants and Aggregators the Performance Factor will be set to the last value established during the previous Capability Period.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):
Reservation Payment (continued)

(2) In each subsequent month, the achieved average kW load reduction during a Contingency Event (not to exceed the first four (4) hours), an Immediate Event (the highest consecutive four (4) hours within the first six (6) hours) and Test Event is divided by the contract kW to calculate a new ratio. When more than one (1) Contingency Event, Immediate Event and/or Test Event is called during the month, the average of the Performance Factors of all events for a Direct Participant or Aggregator in each Authority Designated Area is the Performance Factor for that month. If no Contingency, Immediate or Test events are called in the month, then the Performance Factor continues unchanged from the prior month.

(3) Performance Factor calculated at or below 0.25 will be set to zero (e.g. 0.00)

(4) The Performance Factor is rounded to two (2) decimal places.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):
Reservation Payment (continued):

f) Adjustments to the Contract kW

(1) Aggregators will be able to increase the kW of contracted Load Relief during the current Capability Period for customer loads already enrolled in the Commercial System Relief Program through another Aggregator who is no longer allowed to participate in the program.

11. Performance Payments for Load Relief

a) Except as specified in Section XIII.C.11.d below, the Authority will make a payment to a Direct Participant or Aggregator who provides Load Relief during a Contingency Event, Immediate Event, or Test Event.

b) The Performance Payment rate may vary by location, type of event, duration of the event, the number of times the Direct Participant or Aggregator is asked to provide Load Relief, and whether the Customer is participating on a voluntary basis.

(1) The Performance Payment rate is specified on the Statement of Distribution Load Relief Program Payment.

(2) The Authority reserves the right to identify additional equipment or locations and establish corresponding rates for Performance Payments from time to time based on reports and recommendations from the Authority's staff which will be provided at least annually.

(3) The identification of applicable equipment, or locations and corresponding rates for Reservation Payments will be provided on a Statement of Distribution Load Relief Program Payments to be updated as needed by the Authority's staff in consultation with the Department of Public Service.

c) The Performance Payment amount paid per event is equal to the Performance Payment rate per kWh multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

d) Performance Payments will not be made under this program if the Direct Participant or Aggregator (on behalf of its Customer) receives payment for energy during concurrent Load Relief hours under any other demand response program (e.g., NYISO's Day-Ahead Demand Reduction Program or NYISO's Special Case Resources Program). Direct Participants or Aggregators who also participate in the Commercial System Relief Program during concurrent Load Relief hours will not receive Performance Payments under this program.

e) If an S.C. No. 11 Customer participates in the NYISO market and receives payment for energy during concurrent Load Relief hours, Performance Payments will be made under this program only for Load Relief in excess of the Customer's CBL, expressed in kWh.

XIII. Dynamic Load Management

C. Distribution Load Relief Program (continued):

12. Testing

a) The Authority may require a Direct Participant or Aggregator to participate in one or more Test Events, each for a period not to exceed one (1) hour, commencing at a time determined solely at Authority's discretion, but not between the hours of 12:00 AM and 6:00 AM.

b) The Authority will make a payment for one (1) hour of energy for the Load Relief achieved up to the contracted amount.

c) For Direct Participants or Aggregators that receive Reservation Payments, results of the Test may affect the Performance Factor and Reservation Payments.