Proposal Concerning Modifications to LIPA's Tariff for Electric Service

Requested Action:

Long Island Power Authority ("LIPA" or the "Authority") staff ("Staff") proposes to modify its Tariff for Electric Service (the "Tariff"), effective July 1, 2026, to explicitly allow customers with behind-the-meter storage that is not paired with a distributed generator to participate in the Authority's Electric Vehicle Phase-In Rates ("EVPIR").

Background:

In October 2025, as part of its Utility 2.0 Plan supporting electrification[1] and consistent with New York State Public Service Commission (the "Commission") Order Establishing Alternatives to Traditional Demand-Based Rate Structure for Commercial Electric Vehicle Charging[2] which directed the regulated electric utilities to implement the EVPIR, the Authority began offering EVPIR to eligible large commercial customers. The EVPIR is designed to help businesses with EV charging stations manage electric power costs as utilization of their EV charges increase. The EVPIR for large commercial customers replaced LIPA's Demand Charge Rebate incentive demand discount models and allows EV charging stations with relatively low utilization to manage their power costs. LIPA's Demand Charge Rebate program was a one-size-fits-all discount, where now the new EVPIR has four (4) tiers where the EV charging sites with the lowest utilization rates, which are placed on the lowest tiers, receive the largest discounts from the Authority.[3] As an EV charging station increases its utilization rate (*i.e.*, more cars charging at the station), the customer is moved to a higher tier and the discounts provided by the Authority decrease.

Currently, Leaves 234 and 236I of the Tariff exclude all net metered customers from participating in EVPIR. Net Metering customers are excluded from the EVPIR because generating energy behind the meter of an EVPIR site lowers what the Authority calculates as the utilization rate. This could make an EV charging site remain on a lower tier[4] (therefore receive a higher discount from the Authority) even as more cars charge at the station.

Proposal:

Staff proposes to amend the Tariff to clarify eligibility requirements for EVPIR to assist with demand control from EV fast chargers during system peak times and to promote statewide energy storage goals. Staff proposes to clarify that customers with EV chargers connected to behind-the-meter storage not paired with a distributed generator may participate in EVPIR provided that the customer meets all other eligibility requirements, such as having a utilization rate below 25%. Staff proposes to allow a customer with an EV charger paired with behind-the-meter storage not paired with a distributed generator to join EVPIR because the Authority can still accurately calculate the EV utilization rate, referred to as the changing ratio in LIPA's Tariff, for such

[1] Matter 14-01299, In the Matter of PSEG-LI Utility 2.0 Long Range Plan

[2] Case 22-E-0236, Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structure for Commercial Electric Vehicle Charging, Order Establishing Framework for Alternatives to Traditional Demand-Based Rate Structures (issued January 19, 2023) ("January 2023 Order")

[3] The utilization rate determines the size of the discount. Charging stations with low usage receive a greater discount and charging stations with high usage receive a lower discount.

[4] Energy produced behind the meter prevents the Authority from accurately calculating the utilization rate.

customers since behind-the-meter storage not paired with distributed generator systems would only change the timing of energy usage not the amount of energy usage.

Financial Impacts: No financial impact to the customer or Authority.

Affected Tariff Leaves: 234, 236I

Summary of Proposed Changes:

Staff proposes to clarify that behind-the-meter storage not paired with distributed generator systems meets the eligibility requirements for EV Phase-In Rates.

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. Who is Not Eligible

Customers who are not eligible for this Service Classification include:

a) Those Customers not eligible for Rate Codes 281;

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, except for customers with behind-the-meter storage that is not paired with a distributed generator.

g) Seasonal, Short-term, or Temporary Customers.

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.

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. Who is Not Eligible

   Customers who are not eligible for this Service Classification include:

   a) Those customers not eligible for Rate Codes 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, except for customers with behind-the-meter storage that is not paired with a distributed generator.

   g) Seasonal, Short-term, or Temporary Customers.

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, 7,620/13,200 volts or higher, 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 Primary Rate will also apply to Customers served at 23,000 or 33,000 volts.

   f) The Transmission Rate will apply to Customers served at 69,000 volts or higher.