STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on February 16, 2017

COMMISSIONERS PRESENT:

Audrey Zibelman, Chair
Patricia L. Acampora
Gregg C. Sayre
Diane X. Burman

CASE 14-M-0565 - Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers.

ORDER APPROVING IMPLEMENTATION PLANS WITH MODIFICATIONS

(Issued and Effective February 17, 2017)

BY THE COMMISSION:

INTRODUCTION

On May 20, 2016, the Commission adopted a framework for the design of low-income programs adopting a policy which seeks to limit energy costs to no more than 6 percent of household income for the approximately 2.3 million low-income households in New York.[1] The Low-Income Order addressed implementation of this framework, and directed filings by the major electric and gas utilities to achieve that goal. As directed by the Low-Income Order, on September 15-16, 2016, the major electric and gas utilities in New York State submitted their implementation plans to the Secretary for Commission approval.

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[1] Case 14-M-0565, Utility Low Income Programs, Order Adopting Low Income Program Modifications and Directing Utility Filings (issued May 20, 2016) (Low-Income Order).

The Commission hereby approves the utilities' low-income implementation plans with certain modifications. Among other things, the implementation Plans will be modified in order to conform the programs to the Order Granting in Part and Denying in Part the Requests For Reconsideration And Petitions for Rehearing (PFR Order).[2] As explained in the PFR Order, utility low-income bill discounts are extended to direct voucher/utility guarantee customers. In addition, the Commission does not approve Orange and Rockland Utilities, Inc., (Orange and Rockland)'s energy efficiency program. Orange and Rockland should make such a filing as part of its annual Energy Efficiency Transition Implementation Plan update.

BACKGROUND

In January 2015, the Commission initiated this proceeding to examine the low-income programs offered by the major electric and gas utilities in New York State, in order to standardize utility low-income programs to reflect best practices where appropriate, streamline the regulatory process, and ensure consistency with the Commission's statutory and policy objectives.[3] To further these goals, the Commission directed Staff of the Department of Public Service (Staff) to conduct an examination of the utility low-income programs and develop a set of recommendations for any improvements that may be warranted. On June 1, 2015, Staff filed a Report on the results of its examination.[4]

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[2] Case 14-M-0565, supra, Order Granting In Part And Denying In Part Requests For Reconsideration And Petitions For Rehearing (issued February 17, 2017).

[3] Case 14-M-0565, supra, Order Instituting Proceeding (issued January 9, 2015) (Instituting Order).

[4] Case 14-M-0565, supra, Staff Report (issued June 1, 2015).

On May 20, 2016, the Commission adopted a regulatory policy framework for addressing low-income customer needs. The Low-Income Order also addressed implementation of this framework, and directed filings by certain utilities to achieve that goal. It ordered the utilities to include, among other things, a description of cost recovery allocation methodologies, budget billing, educational efforts, and timetables for Office of Temporary Disability and Assistance (OTDA) data sharing and low-income program reporting. The following summarizes the low-income program framework adopted in the Low-Income Order:

Eligibility/Enrollment

The Low-Income Order directed the affected utilities to automatically enroll all customers for whom the utility received a regular Home Energy Assistance Program (HEAP) payment on his or her behalf. Existing programs with broader income eligibility criteria, e.g., Consolidated Edison Company of New York, Inc. (Con Edison)'s and Keyspan Energy Delivery New York (KEDNY)'s programs, shall maintain such existing eligibility criteria. Con Edison was authorized to continue its existing file match, which extends the low-income discount program to customers receiving other income based benefits in addition to HEAP; and KEDNY was authorized to pursue this approach. In addition, the Low-Income Order allowed manual enrollment to continue where practicable; i.e., not administratively burdensome and within the budget constraints established.

Benefit Levels

A default process of setting rate discount levels was established which varies levels based on need. Utilities were granted some flexibility in designing discounts; however, alternatives must be shown to accomplish the same results and leave no class of participant underserved.

Separate discounts were established at each utility for electric and/or natural gas service, and within each service, for heating and non-heating customers. The discounts were set at a level sufficient to achieve a 6% energy burden, corresponding to the monthly total bill for the average participant in each class, assuming income at 60% of State Median Income (SMI), the upper limit of income eligibility for HEAP.

A regular HEAP payment is increased by $25 if household income is at or below 130% of federal poverty level (FPL). Such payments are also increased by $25 if the household contains a vulnerable individual (i.e., household member who is age 60 or older, under age 6 or younger, or permanently disabled); or by $50 if both conditions apply. If the customer receives either or both utility HEAP incremental ("add-on") benefits, discounts are increased accordingly. A fourth tier of benefits for customers receiving direct vouchers or utility guarantees was recommended in the Staff Report, but not adopted in the Low-Income Order.[5] Other eligible categories of customers, including non-utility HEAP recipients, are not eligible for the higher benefits.

All participants are automatically enrolled in the utility's levelized (budget) billing program; however, opt-out is permitted. The utilities' implementation plans are required to include descriptions of the budget billing plan, and

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[5] Direct vouchered customers are those on whose behalf the utility bill is paid directly by OTDA or the local social services district. Utility guarantee customers are those receiving benefits under SSL §131-s. SSL §131-s is emergency assistance which pays up to four months of utility arrears in full. In addition, the next six months of bills are subject to a utility guarantee by the Department of Social Services. The fourth tier of benefit for such customers is provided under the PFR Order.

processes for participating customers to be notified of the option to refuse budget billing.

Program Budgets

The Low-Income Order provided that the costs of the programs will be borne by all classes of customers; however, the specific mode of cost recovery will be determined in rate cases, where the total impacts of all revenue requirement changes can be considered. A funding limit was established such that the total budget for each utility may not exceed 2% of total electric or gas revenues for sales to end-use customers.[6] If the budget per the prescribed benefit calculation above exceeds the funding limit, the target energy burden will be increased (and as a result, discounts are decreased) until the funding limit is met.

Arrears Forgiveness

The Low-Income Order provided that arrears forgiveness programs could be continued for utilities who see value in doing so, but are not required for other utilities. Funding for such programs was limited to no more than 10% of the budget. The 10% allocation is incremental to, and may not reduce, the amount directed to rate discounts. Overall program budgets must also fit below the 2% budget cap. Accordingly, if the funding required for rate discounts reaches the 2% cap, no funding is available for arrears forgiveness programs.

Reconnection Fee Waivers

The Low-Income Order continued the practice of allowing reconnection fee waivers as an optional, but not required, feature of low-income programs. Similar to the limit for arrears forgiveness, the Low-Income Order established a

[6] The PFR Order determines that program costs shall be recovered from all classes on a delivery revenue basis. A lower limit on discounts also is established such that the discount would produce no greater than a 10% energy burden.

limit of funding for reconnection fee waivers of no more than 1% of the budget. As with arrears forgiveness, budgets for reconnection fee waivers are incremental to the amounts budgeted for rate discounts, may not limit funding for rate discounts, and must fit within the 2% of revenues budget cap.

Program Reporting/ Evaluation

The Low-Income Order directed the utilities to begin regular, quarterly filing of detailed low-income program reports. It required such reports to include all of the information included in the sample report in Appendix D of the Low-Income Order. The utilities are also required to provide a timetable for compliance with these reporting requirements.

Coordination with Other Programs

Utilities must continue referrals of low-income customers to NYSERDA's Empower-NY program for low-income energy efficiency services, with better utilization of utility bill data to focus and prioritize efficiency services to low-income households with high usage. Utilities are also required to facilitate greater low-income access to distributed energy resources (DER), developed through the Commission's Reforming the Energy Vision (REV) proceeding, in order to narrow the affordability gap that needs to be filled with direct financial assistance.[7]

The Low-Income Order further required the utilities to include in their implementation plans their strategies for incorporating educational efforts into their low-income programs. This can include low-income energy education, counseling in household budgeting and financial management, energy savings actions, and information on how to participate in community DG and other DER projects. Such information can help

[7] Case 14-M-0101, Reforming the Energy Vision.

engage and involve the customer in the process, and may have a lasting impact on affordability.

IMPLEMENTATION PLANS

As directed by the Low-Income Order, on September 15-16, 2016, the following companies submitted their implementation plans to the Secretary: Central Hudson Gas & Electric Corporation (Central Hudson), Con Edison, The Brooklyn Union Gas Co. d/b/a National Grid NY (KEDNY), KEDLI, National Fuel Distribution Corporation (National Fuel), Niagara Mohawk Power Corp. d/b/a National Grid (Niagara Mohawk), New York State Electric & Gas, Inc. and Rochester Gas and Electric Corporation (NYSEG/RG&E), and Orange & Rockland.

In the sections that follow, each of the utility implementation plan filings is summarized. The Implementation Plans were generally consistent with and comply with the Low-Income Order, except as noted below.

Central Hudson[8]

Eligibility/Enrollment

Central Hudson states that it will replace its current Low Income Bill Discount Program with a new Low Income Bill Discount Program in conformance with the Low-Income Order, beginning with the file transfer of all HEAP recipients with OTDA in the fall of 2016. When fully implemented, by the end of 2018, this new program will include monthly low-income bill discounts, automatic enrollment in Budget Billing with an opt-out option, reconnection-fee waivers, and outreach and education.

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[8] Case 14-M-0565, supra, Central Hudson's Plan to Implement the PSC's Low Income Policies, September 16, 2016.

Benefit Levels

Central Hudson proposes to implement the discounts identified in the Low-Income Order. The following chart contains the Company's proposed benefit levels by tier.[9]

Income Level	Electric Heating	Electric Non-heating	Gas Heating	Gas Non-heating
Tier 1	$ 23.00	$ 23.00	$ 34.00	$ 3.00
Tier 2	$ 39.00	$ 39.00	$ 50.00	$ 3.00
Tier 3	$ 72.00	$ 56.00	$ 67.00	$ 3.00
Tier 4[10]	$ -	$ -	$ -	$ -

Program Budget/Cost Recovery

The Company projects about 16,000 participants, although it states that up to 25,000 customers may be served. Based on a projection of 16,172 participants when fully implemented in 2018, Central Hudson projects program costs of $7,752,690 for the rate discount program.[11] In addition, the Company proposes to phase out its Enhanced Powerful Opportunities Program (EPOP); however, there will be continuing costs through 2020, at an annual cost of $1,237,341. Finally, the Company proposes to continue its reconnection fee waiver program at an annual cost of $51,138, for a total annual cost of $9,041,169. Central Hudson confirms that, consistent with the Low-Income Order, funding for the program will not exceed two percent or $19.87 million of Central Hudson's revenues. Central

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[9] Consistent with the Low-Income Order, the utilities propose that discount amounts for Tier 4 customers, those receiving direct vouchers or utility guarantees, be set at $0.

[10] As noted earlier, the Low Income Order determined that Tier 4 participants (those on direct voucher/utility guarantee) would receive no discount.

[11] This compares to a projection of 24,500 customers in the Low-Income Order, for full enrollment. This resulted in a budget of $12.1 million.

Hudson proposes to use its existing deferral mechanism to recover program costs.

Arrears Forgiveness/Reconnection Fee Waivers

Central Hudson proposes to continue to enroll customers into its EPOP until the end of the 2016-17 HEAP season. The Company would not accept new enrollments after April 15, 2017, and customers who are enrolled in EPOP as of that time will continue to receive the program benefits until they either complete the program up to 36 months later or are removed from the program; such that on or about April 15, 2020, there will no longer be any customers enrolled in EPOP. Central Hudson states that it will investigate various designs for an arrears forgiveness program in the New Low Income Bill Discount Program, and will recommend whether such a program should be offered by November 2018.

As stated above, Central Hudson proposes to continue its existing reconnection fee waiver program. When extended to the enlarged group of program participants, Central Hudson projects an annual cost of $51,138, which is less than 1% of its low income program budget.

Coordination with Other Programs/Outreach

Central Hudson will roll out a communication plan to inform customers of the phase out of the EPOP program and implementation of the new discount program. Central Hudson also proposes to leverage its existing CenHub web platform, which was developed as a REV demonstration project, and which provides access to energy savings tips, insights and product rebates. Central Hudson states it will hold future website design workshops to evaluate low-income customer participation, and investigate partnerships that provide opportunities to benefit low-income customers.

Con Edison[12]

Eligibility/Enrollment

Con Edison states that it currently complies with the Low-Income Order's directive that the Company continue its established semi-annual file matching procedure with the New York City Human Resources Administration (HRA) and the Westchester Department of Social Services (DSS) which identifies and automatically enrolls customers in its discount program. Con Edison indicates that it will expand the eligibility for its electric low-income program to include an additional 93,000 Medicaid customers in January 2017. Con Edison estimates that there will be between 375,000 and 475,000 customers participating in its low-income programs at any given time.

Benefit Levels

Con Edison proposes the following discounts effective January 2017: the monthly discounts for electric heating and non-heating customers will be $10.00; gas non-heating customers will be $3.00; and gas heating will be $7.50, with a $0.4480 per-therm discount for usage in the 4-90 therm block. In January 2018, Con Edison proposes to implement the Commission's new default methodology for applying low-income discounts through the four tiered discounts and enroll customers in its Budget Billing Plan on an opt-out basis. In order to implement the tiered system, Con Edison states that it will need to reconfigure how low-income status is designed and processed in its Customer Service System, and how discounts will be applied to bills. The following table presents the discount levels for low-income customers as provided in Appendix B of the Low-Income Order:

[12] Case 14-M-0565, supra, Con Edison Low Income Implementation Plan, September 16, 2016.

2018 Con Edison Low Income Discount Levels

Income Level	Electric Heating	Electric Non-heating	Gas Heating	Gas Non-heating
Tier 1	$ 10.00	$ 10.00	$ 50.00	$ 3.00
Tier 2	$ 10.00	$ 10.00	$ 50.00	$ 3.00
Tier 3	$ 22.00	$ 14.00	$ 50.00	$ 3.00
Tier 4	$ -	$ -	$ -	$ -

Con Edison states that Tier 1 will include customers participating in one or more qualifying public assistance programs, including Medicaid, Safety Net Assistance, Supplemental Nutrition Assistance Program (SNAP), Supplemental Security Income (SSI), and Temporary Assistance for Needy Families (TANF) and/or have received a regular HEAP benefit in the preceding 12 months. Tier 2 customers will be those receiving one HEAP 'add-on' benefit, while Tier 3 customers will be those receiving two HEAP 'add-on' benefits. Con Edison proposes that customers who are receiving utility bill payment assistance as part of Direct Voucher/Utility Guarantee programs will no longer be eligible to receive bill payment assistance. The Company states that when Tier 4 customers are no longer receiving Direct Voucher or Utility Guarantee, their eligibility for its Low-Income Programs will be re-evaluated.

Con Edison plans to automatically enroll all participants in its budget billing plan on an opt-out basis beginning January 1, 2018. The Company states that its program rules include a provision that customers who fail to pay the budget payment amount receive notices and alerts, and are automatically de-enrolled from the plan after two missed payments. Con Edison requests clarification regarding whether such program rules should remain in effect for low-income program participants.

Program Budgets

Based on the tiered system, the Company projects the annual budgets for the electric and gas programs to be $54.7 million and $10.9 million, respectively.[13] The Company proposes to recover program costs through its existing rate mechanisms. For both services, target amounts are set in rates, and variances are collected or passed back through the revenue decoupling mechanism for electric, or the monthly rate adjustment for gas.

Reconnection Fee Waivers

Con Edison proposes to continue its reconnection fee waiver program, which is funded at $547,000 annually for electric and $75,000 for gas. Both amounts are less than 1% of program costs for the respective service.

Coordination with Other Programs

Con Edison believes its digital customer experience (DCX) project, when fully implemented, will present new opportunities for promoting energy literacy among low-income customers. Available tools will include online energy calculators and customized home energy reports, as well as high bill alerts and other proactive notifications. Low-income customers will be targeted with communications designed to drive them to these tools and to participate in energy-saving programs. Using advanced metering infrastructure (AMI) data, the Company states that it can segment and target customers according to energy-use patterns and other characteristics for the purpose of developing more personalized communications.

[13] Con Edison’s projection is based on the actual number of Medicaid recipients added to the program. Actual participation for the electric program fell slightly below the estimate used in the Low-Income Order. As a result, the Company’s estimate is somewhat below the estimate in the Low-Income Order of $57.6 million for the electric program.

Con Edison states that it will initiate a REV Demonstration Project focusing on low-to-moderate income customers. The Company is seeking to partner with organizations that can help offer new products and services to these customers. Demonstration projects could incorporate energy efficiency, DER, financing and billing innovations, education and outreach, and other opportunities that help customers better manage their energy usage and access clean energy. Partner selection may occur early in 2017.

KEDNY[14]

Eligibility/Enrollment

KEDNY states that customers will be automatically enrolled into the program when either: the Company receives a HEAP benefit and associated add-ons on the customer's behalf; the customer is identified as low-income through OTDA's non-utility file matching mechanism or the HRA file match; the customer provides documentation of HEAP payment to another vendor or utility; or the customer provides documentation of enrollment in TANF, Safety Net Assistance, SSI, Medicaid, SNAP, Veteran's Disability Pension, Veteran's Surviving Spouse Pension, or Child Health Plus.

KEDNY proposes to discontinue new enrollments in its current On Track arrears forgiveness program on January 1, 2017. Existing customers in the program will continue until they complete, default, or voluntarily remove themselves from the program.

Benefit Levels

KEDNY proposes that customers who receive a HEAP benefit for a non-utility fuel should receive the non-heating

[14] Case 14-M-0565, supra, Low Income Program Implementation-KEDNY, September 16, 2016.

benefit. The Company has created a fifth benefit Tier to serve such customers, and a sixth Tier for existing participants to be "grandfathered" at current levels. KEDNY further proposes that any customer who receives an Emergency HEAP benefit be classified as Tier 1, regardless of whether the customer has received regular HEAP add-on benefits. The Company proposes to establish the following fixed monthly discounts.[15]

Income Level	Electric Heating	Electric Non-heating	Gas Heating	Gas Non-heating
Tier 1			$ 19.00	$ 3.00
Tier 2			$ 35.00	$ 3.00
Tier 3			$ 52.00	$ 3.00
Tier 4			$ -	$ -
Tier 5			$ 3.00	$ 3.00
Tier 6			$ 19.00	$ 3.00

KEDNY states that customers on whose behalf the utility receives a HEAP grant will remain in the program for 14 months following receipt of the last HEAP grant. Customers identified through HRA file matches will be added or removed during each file match cycle (twice per year).

Participants will be automatically enrolled in the Company's budget billing program, with an opt-out option. The Company notes that the budget billing arrangement defaults after 2 payments are past due, and it intends to continue this practice, while reviewing opportunities for defaulted customers to be reinstated.

Program Budget

KEDNY projects an annual budget of $25 million for 2017, and $31.9 million for 2018 and 2019, which is equal to 2% of KEDNY's gas revenues. KEDNY states that if enrollment is

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[15] The discount amounts shown for KEDNY were incorrect in Appendix C of the Low-Income Order. The amounts proposed by the Company are correct.

higher than anticipated, it will keep the benefit levels constant and adjust the discounts the following year until the amount expended is within the budget limit.

The National Grid Companies' (Niagara Mohawk, KEDNY and KEDLI) total projected cost for implementing Customer Information System (CIS) modifications is $7.09 million, and will be shared among National Grid's three New York companies. These costs include mostly personnel costs, along with other incidental expenses. KEDNY's portion of this expense is $3.302 million. KEDNY seeks Commission approval to defer these costs pursuant to its approved rate plan.[16]

Outreach and Education

KEDNY has developed an outreach plan consisting of, among other things, increasing customer awareness and understanding of the new program and the budget billing opt-out option. KEDNY states that its budget for its new Outreach and Education components, which would include mailings, brochures, and posters, is about $80,000 for 2017 and $7,000 in 2018. Pursuant to its rate plan, KEDNY is seeking Commission approval to defer these costs.

KEDLI[17]

Eligibility/Enrollment

KEDLI states that customers will be automatically enrolled into the program when the Company receives a HEAP benefit; when the customer is identified as low-income through OTDA's non-utility file matching mechanism or the HRA file

[16] Cases 15-G-0058, et al., KeySpan Gas East Corporation and The Brooklyn Union Gas Company Rates, Order Adopting Terms Of Joint Proposal And Establishing Gas Rate Plans (issued December 16, 2016)

[17] Case 14-M-0565, supra, Low Income Program Implementation plan – KEDLI, September 16, 2016.

match; when the customer provides documentation of HEAP payment to another vendor or utility; or when the customer provides documentation of enrollment in TANF, Safety Net Assistance, SSI, Medicaid, SNAP, Veteran's Disability Pension, Veteran's Surviving Spouse Pension, or Child Health Plus.

KEDLI proposes to discontinue its current On Track arrears forgiveness program effective on January 1, 2017. Currently participating customers will continue in the program until they complete, default, or voluntarily remove themselves from the program.

Benefit Levels

KEDLI proposes that customers who receive a HEAP benefit for a non-utility fuel should receive the non-heating benefit. The Companies have created a fifth benefit Tier to serve such customers. KEDLI further proposes that any customer who receives an Emergency HEAP benefit be classified as Tier 1, regardless of whether the customer has received regular HEAP add-on benefits. The Company proposes to establish the following fixed monthly discounts.

Income Level	Electric Heating	Electric Non-heating	Gas Heating	Gas Non-heating
Tier 1			$ 41.00	$ 8.81
Tier 2			$ 57.00	$ 8.81
Tier 3			$ 74.00	$ 8.81
Tier 4			$ -	$ -
Tier 5			$ 8.81	$ 8.81

These discounts generally follow those provided in the Low-Income Order; however, the Low-Income Order provides for a $3 bill discount for non-heating gas customers. KEDLI explains that a low-income program budget surplus existed from its previous rate plan. The Rate Plan states that "Any net positive balance in KEDLI's low-income balancing account at the end of the rate plan will be used to enhance KEDLI's future low-income programs."[18] As a result, an increased discount of $8.81 was included in the Company's recently adopted rate plan.[19]

KEDLI states that customers on whose behalf the utility receives a HEAP grant will remain in the program for 14 months following receipt. Customers identified through OTDA or HRA file matches will be added or removed during each file match cycle (twice per year).

Participants will be automatically enrolled in the Company's budget billing program, with an opt-out option. The Company notes that the budget billing arrangement defaults after 2 payments are past due, and it intends to continue this practice, while reviewing opportunities for defaulted customers to be reinstated.

Program Budget

KEDLI's annual budget is projected to be $5.4 million for 2017, and $6.7 million for 2018 and 2019, which is below 2% of the KEDLI's revenues.[20] KEDLI states that if enrollment is higher than anticipated, KEDLI will keep the benefit levels constant and adjust the discounts the following year, until the amount expended is within the budget limit.

As previously noted, the National Grid Companies' total projected costs for implementing Customer Information System modifications is $7.09 million. KEDLI's portion of these costs is $889,000. KEDLI is seeking Commission approval to defer these costs pursuant to its rate plan.[21]

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[18] Case 06-G-1186, et al., supra.

[19] Cases 15-G-0058, et al., supra.

[20] KEDLI's filing erroneously gives the same figure of $6.7 million for both its budget level and the 2% limit. KEDLI's 2% budget limit is approximately $19.9 million.

[21] Cases 15-G-0058, et al., supra.

Energy Efficiency

KEDLI is implementing a new low-income energy efficiency program to replace the EmPower-NY program on Long Island.[22] A multi-faceted approach will be used, including (1) behavioral approaches through customer outreach and education, (2) free energy assessments and surveys, (3) appliance upgrades and replacements, and (4) more extensive and customized measures.

Outreach and Education

KEDLI has developed an outreach plan consisting of, among other things, increasing customer's awareness and understanding of the new program and budget billing opt-out option. KEDLI asserts that its budget for its low-income Outreach and Education, which would include mailings, brochures, and posters, is about $13,000 for 2017 and $7,000 in 2018. KEDLI seeks Commission approval to defer these costs.

National Fuel[23]

Eligibility/Enrollment

National Fuel states that because natural gas is used by approximately 87% of households in Buffalo, there are few low income households in its territory that are not already enrolled in its low income programs. As a result, it does not expect to enroll many new customers through the file match process with OTDA. The Company notes that it recently implemented a new CIS. As a result, the Company believes it needs approximately one year to implement any automated enrollment through the file match, as well as the tiered discount levels, with the required reporting to begin the following quarter.

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[22] Cases 15-G-0058, et al., supra.

[23] Case 14-M-0565, supra, Low Income Program Modification Filing, September 16, 2016.

Benefit Levels

National Fuel affirms that participants in Tier 1 will receive a minimum monthly discount of $3.00 as set forth in the Low-Income Order. The Company states that Tier 2 and 3 discount levels will be established in the National Fuel's rate proceeding in Case 16-G-0257 presently pending before the Commission. National Fuel states that the monthly discount as set by the Low-Income Order for Tier 4 customers is $0. As this discount level is subject to a Petition for Rehearing, National Fuel will monitor the situation and look for further orders that may address this. National Fuel proposes that any customer who receives an Emergency HEAP benefit be classified as Tier 1, regardless of whether the customer has received regular HEAP add-on benefits.

The Company states that participants will be automatically enrolled in the budget billing program, with the ability to opt-out. National Fuel requests guidance regarding whether and to what extent any discount-related credits can be applied to customers' accounts when bills are below the targeted energy burden.

Program Budget

National Fuel projects its low-income budget is $13,473,326 for the 2017-2018 rate year, equal to the limit of 2% of its projected revenues.[24] If enrollment is higher than anticipated, National Fuel will keep the benefit levels constant and adjust the discounts the following year until the amount

[24] National Fuel's calculation of budget limit is based on its projected 2017-2018 revenues in its current rate case. See Case 16-G-0257, National Fuel Gas Rates. This compares to a level of $16,540,000 calculated for the Low-Income Order. All revenue projections in the Low-Income Order were based on the most recent (at the time) billings for 18-a assessments, in August 2015.

expended is within the budget limit. The Company states that cost recovery is expected to be determined as part of the Company's current rate proceeding.

Arrears Forgiveness

National Fuel proposes to eliminate its arrears forgiveness program, since expenditures for additional rate discount programs must be included in 2% budget cap, which its discount program will exceed.

Coordination with Other Programs

National Fuel's Low Income Usage Reduction Program (LIURP) is a weatherization program that is administered in conjunction with the New York State Energy Research and Development Authority's (NYSERDA) EmPower-NY program. Over the last nine years, the Company states it has completed free weatherization services to more than 7,100 homes. In that program, National Fuel has utilized billing data to prioritize and make referrals for energy efficiency services to low-income households. The approach has targeted income-eligible customers needing assistance the most – those with high usage and high arrears.

National Fuel states that its longstanding Conservation Incentive Program is designed to increase energy literacy and helps low-income households maintain utility service. Low-income energy education has included conservation savings tips, weather-stripping and faucet aerators, and school visits under a partnership with National Energy Education Development Project to educate teachers, children and their families on energy conservation.

Niagara Mohawk[25]

Eligibility/Enrollment

Niagara Mohawk proposes to automatically enroll customers into the program when the Company receives a HEAP benefit; when the customer is identified through OTDA's non-utility file matching mechanism; or when a customer self identifies and provides documentation of a HEAP payment paid to another vendor or utility and not matched through OTDA's file matching.

Niagara Mohawk will discontinue new enrollments in its arrears forgiveness program effective January 1, 2017. Existing customers participating in the program will continue until they complete, default, or voluntarily remove themselves from the program.

Benefit Levels

Niagara Mohawk proposes that customers who receive a HEAP benefit for a non-utility fuel should receive the non-heating benefit. The Company has created a fifth benefit Tier to serve such customers. Niagara Mohawk further proposes that any customer who receives an Emergency HEAP benefit be classified as Tier 1, regardless of whether the customer has received regular HEAP add-on benefits. Niagara Mohawk proposes to establish the following fixed monthly discounts, as provided in the Low-Income Order:

[25] Case 14-M-0565, supra, Low Income Program Implementation Plan – Niagara Mohawk, September 16, 2016.

Income Level	Electric Heating	Electric Non-heating	Gas Heating	Gas Non-heating
Tier 1	$ 11.00	$ 11.00	$ 3.00	$ 3.00
Tier 2	$ 27.00	$ 27.00	$ 16.00	$ 3.00
Tier 3	$ 44.00	$ 44.00	$ 33.00	$ 3.00
Tier 4	$ -	$ -	$ -	$ -
Tier 5	$ 3.00	$ 3.00	$ 3.00	$ 3.00

The Company notes that the distribution of its participants among the tiers differs from the statewide average. Its actual tier percentages are 7% in Tier 1, 32% in Tier 2, 32% in Tier 3, and 0% in Tier 4.

Under Niagara Mohawk's proposal, customers on whose behalf the utility receives a HEAP grant will remain in the program for 14 months following receipt. Customer accounts identified or removed from eligibility by the OTDA file matching process will be updated as part of each file matching cycle, which will begin after January 1, 2018, when the new program is implemented.

Participants will be automatically enrolled in the Company's budget billing program, with an option to opt-out. The program rules provide that the budget plan is cancelled if the customer misses two full payments.

Program Budgets

Niagara Mohawk's annual budget is projected to be $48.1 million for electric and $17.5 million for gas. As provided in the Low-Income Order, funding for the program cannot exceed 2% of the Company's revenues, which is equal to $64.3

million for electric[26] and $15.0 million for gas.[27] Niagara Mohawk asserts that if enrollment is higher than expected during a given year and the budget limit is exceeded, there would be no change in benefit levels for that year, participation would not be capped, and the Company would defer any costs incurred above the budget limit for future recovery from customers. In the following year, the Company will adjust the energy burden target (*i.e.*, raising the 6% to a higher value), reducing the discounts until the amount expended is within the budget limit for that year. Niagara Mohawk explains that if it is necessary to adjust the energy burden target, the Company will use the methodology adopted by the Commission to calculate a revised energy burden and Tier Level benefits as described in the Low-Income Order.

Niagara Mohawk's portion of the National Grid Customer Information System costs of $7.09 million is $2.2 million for Capital Expenses and $604,000 for Operational Expenses. Niagara Mohawk is seeking Commission approval to defer these costs.

Coordination with Other Programs

Niagara Mohawk notes that it is implementing a community solar program that provides rooftop solar panels to low-income participants in its Buffalo "Fruit Belt" REV

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[26] Niagara Mohawk's electric program budget is less than the Low-Income Order's budget projection primarily because the Company proposes to furnish a $3 minimum benefit to approximately 55,000 customers who receive a HEAP benefit for a non-utility fuel (identified in the Company's filing as "Tier 5" customers). As clarified in the PFR Order, such customers shall receive the applicable Tier 1 non-heating discount. As noted in the preceding chart, that amount is $11.

[27] Niagara Mohawk's projected gas budget exceeds the Low-Income Order's budget projection primarily because of the larger allocation to the higher Tier 3 discount -- 61% compared to the statewide average of 35% used in the Low-Income Order. As discussed later in this order, Niagara Mohawk's gas program exceeds the 2% gas revenue budget cap and must be adjusted accordingly.

demonstration project. The Company states that it may submit additional low-income REV proposals in the future.

Outreach and Education

Niagara Mohawk has developed a strategic plan for Outreach and Education that incorporates stakeholder, community and customer engagement. Niagara Mohawk is seeking to invest in opportunities that will attract and provide access to more participants by leveraging current outreach approaches with non-traditional methods which will demonstrate the benefits of the program and increase awareness and enrollment. The budget for the new Outreach and Education components, which would include mailings, brochures, and posters, is about $86,000 for 2017 and $7,208 in 2018. Niagara Mohawk seeks Commission approval to defer these costs.

NYSEG and RG&E[28]

Eligibility/Enrollment

NYSEG and RG&E propose to continue to automatically enroll all customers for whom the Companies receive a HEAP benefit in the Companies' Low-Income bill discount program. In addition, the Companies will continue to allow manual enrollment for any customer who self-identifies as a HEAP-recipient. As outlined in the Low-Income Order, the Companies propose to work collaboratively with OTDA, utilizing the HEAP recipient list to enroll any previously unidentified customers into the Low-Income Program. The Companies will begin to receive this information in the fall of 2016. Any customer identified as receiving a HEAP benefit paid to an alternate provider will be enrolled in the Low-Income program and receive Tier 1 benefits as indicated

[28] Case 14-M-0565, supra, NYSEG and RG&E Implementation Plan Pursuant to Order Adopting Low Income Program Modifications and Directing Utility Filings, September 15, 2016.

in the Low-Income Order. Annually, in advance of the upcoming HEAP season, the Companies propose to remove from the Low-Income Program any customer for whom no HEAP payment was received for the prior HEAP season.

RG&E's projected enrollments have been updated to reflect accurately the number of participating customers. In its Rate Plan, the number of participants was incorrect because, among other things, gas heating customers were inadvertently excluded from the count of electric non-heating customers.

Benefit Levels

In accordance with their Rate Plans,[29] NYSEG and RG&E state they will implement tiered bill discounts beginning with the 2016-2017 HEAP season. The Companies will implement three benefit tiers as outlined in their Rate Plans by November 1, 2016.[30]

The Companies will phase-in discounts as follows: Rate Year 1 (November 1, 2016 – October 31, 2017), Discount amounts equal to those in Rate Plan; Rate Year 2 (November 1, 2017 – October 31, 2018), Non-heat discounts will be equal to those included in Low-Income Order, Heating discounts will be set approximately halfway between the Rate Plan and the Low-Income Order discounts, unless limited by the 2% revenue cap; Rate Year 3 (November 1, 2018 – October 31, 2019), all discount amounts

[29] Cases 15-E-0283 et al., NYSEG and RG&E Rates, Order Approving Electric and Gas Rate Plans in Accord with Joint Proposal (issued June 15, 2016).

[30] NYSEG/RG&E Implementation Plan, (Attachment 3.

will be equal to the Low-Income Order, unless limited by the 2% of revenues cap.[31]

NYSEG Discounts

Income Level	Electric Heating	Electric Non-heating	Gas Heating	Gas Non-heating
Tier 1	$ 3.00	$ 3.00	$ 3.00	$ 3.00
Tier 2	$ 11.00	$ 11.00	$ 18.00	$ 3.00
Tier 3	$ 28.00	$ 28.00	$ 23.00	$ 3.00
Tier 4	$ -	$ -	$ -	$ -

RG&E Discounts

Income Level	Electric Heating	Electric Non-heating	Gas Heating	Gas Non-heating
Tier 1	$ 3.00	$ 3.00	$ 3.00	$ 3.00
Tier 2	$ 9.00	$ 9.00	$ 13.00	$ 3.00
Tier 3	$ 26.00	$ 26.00	$ 19.00	$ 3.00
Tier 4	$ -	$ -	$ -	$ -

All participants will be automatically enrolled in budget billing, with the option to opt-out. Customers are removed from budget billing if collection activity is required. Collection notices are based on actual billed usage, and therefore, the customer is removed from budget billing until the arrears are resolved.

Program Budgets

The Companies have calculated discounts to ensure program spending does not exceed 2% of electric revenues and gas

[31] NYSEG/RG&E project a much larger allocation of participants to Tier 3 than the statewide average used in the Low-Income Order – 85% (NYSEG) and 91% (RG&E), compared to 35% in the Low-Income Order. In addition, NYSEG and RG&E estimate a much smaller number of electric non-heating participants: 36,420 and 34,606, respectively, compared to 66,467 and 42,033 respectively in the Low-Income Order. As a result, the projected gas budgets are above the 2% budget limit, while the projected electric budgets are not.

revenues, respectively. Specifically, gas Tier 3 heating customer discount levels were adjusted downward so that the overall program budget meets the 2% cap.[32] They will reassess the spending caps annually and, if required, the Companies will reset bill discount levels for the following HEAP season to keep overall spending at or under the cap.

The Companies will reconcile low-income bill discounts with the amount in rates; however, they expect an under-collection of discounts resulting from the implementation the Low-Income Order as proposed in this filing. In order to minimize the negative cash flow impact from building a large low-income deferral, the Companies propose to collect the low-income deferral through their existing Revenue Decoupling Mechanisms (RDM). The Companies state that the RDM is an appropriate mechanism since it applies to the vast majority of customers, is available for both electric and gas businesses, provides for an interim adjustment, and allows for timely collection/return of deferred amounts. The Companies propose to allocate the low-income deferral proportionately among service classes.

<u>Arrears Forgiveness/Reconnection Fee Waivers</u>

NYSEG and RG&E report that they have successful Arrears Forgiveness programs. The Companies state that they intend to continue these existing programs, as included in the Rate Plan and permitted by the Low-Income Order. Per the Companies' Rate Plan, NYSEG and RG&E also will eliminate

[32] Case 14-M-0565, <u>supra</u>, NYSEG & RG&E Implementation Plan Pursuant to Order Adopting Low Income Program Modifications and Directing Utility Filings (Attachment 1, page 1 of 5), September 15, 2016. NYSEG/RG&E propose to meet the budget limit solely by reducing the discount offered to Tier 3 participants, rather than proportionately decreasing all discount levels as provided in the Low-Income Order.

reconnect charges for customers who qualify for the Low Income Program. No cost recovery is sought for this.

Orange & Rockland[33]

Eligibility/Enrollment

Orange and Rockland currently enrolls customers into its low income program automatically when the customer receives a HEAP benefit. Orange and Rockland explains that the current enrollment process would not capture alternate fuel HEAP recipients. According to Orange and Rockland, OTDA has advised that there are about 2,700 potential additional participants that heat with alternate fuels and may be picked up in the file match process.

The Company requests more frequent file transfers from OTDA in order to capture current customer information with any changes to income level throughout the year. Determining discounts on the level of HEAP benefit could, according to the Company, lead to errors in discount amounts. Orange and Rockland requests that the Inter-Agency Task Force develop a standardized tier identification process, and that beginning in November 2017, OTDA identify customer tier assignments.[34] Until that time, Orange and Rockland's billing systems will need programming upgrades to place customers in the appropriate tiered level. Orange and Rockland projects that about 10% of participants will fall into Tier 1, 22% in Tier 2, 59% in Tier 3, and 9% in Tier 4.

Benefit Levels

Orange and Rockland states that the data used to calculate average bills, on which the discount levels listed in

[33] Case 14-M-0565, supra, Orange & Rockland Low Income Implementation Plan, September 16, 2016.

[34] Orange and Rockland Implementation Plan, p. 5.

the Low-Income Order were based, included the period of the polar vortex in 2014. As a result, both usage and commodity prices used to calculate the discounts were above normal. The Company has used the 12-month period ending May 2016 to calculate its proposed discounts, resulting in reduced discount amounts, and a reduced budget, compared to the Low-Income Order.[35] Orange and Rockland states that it did not increase the target bills by 10% as provided in the Low-Income Order, as it plans to review low-income customer bills annually and reset credit amounts so that any bill fluctuations resulting from weather or commodity prices will be reflected in credit amounts provided for the next year.

Availing itself of the flexibility allowed in the Low-Income Order, Orange and Rockland proposes an alternative calculation method that it states more accurately reflects the appropriate credit amounts on electric and gas bills. This new method, according to the Company, remains consistent with the default method in determining the tiered level affordable bill amount. Orange and Rockland proposes to establish the following fixed monthly discounts:

Income Level	Electric Heating	Electric Non-heating	Gas Heating	Gas Non-heating
Tier 1	$ 14.00	$ 14.00	$ 9.00	$ 3.00
Tier 2	$ 35.00	$ 35.00	$ 22.00	$ 3.00
Tier 3	$ 55.00	$ 55.00	$ 36.00	$ 3.00
Tier 4	$ -	$ -	$ -	$ -

Participants will be automatically enrolled in budget billing, with the ability to opt-out; except direct voucher

[35] The budget provided in the Low Income-Order increased Orange and Rockland's budget to approximately $20.3 million. As a result of its revised average bill calculation as described above, Orange and Rockland's budget of $8.7 million is significantly lower than projected in the Low-Income Order.

customers, who will not be enrolled, as local offices of the DSS will pay such bills in full.

Program Budgets

Orange and Rockland estimates that low-income discounts will be $8.7 million beginning with the November 2017 heating season, instead of the $20.3 million proposed in the Low-Income Order. Orange and Rockland forecasts $50,000 in programming costs to implement the program. The Company proposes to collect discount program costs as its current program costs are recovered, through base rates.

Energy Efficiency/Coordination with Other Programs

In order to reduce ratepayer contributions to its Low Income Discount program, Orange and Rockland proposes a direct install energy efficiency and behavioral education program at a cost of $4.5 million each year for four years. In addition, Orange and Rockland will leverage its REV demonstration project, Customer Engagement and Marketplace Platform (CEMP), to engage with low-income customers to increase awareness and education on consumption, motivate participation in Orange and Rockland's portfolio of efficiency programs and to increase distribution and adoption of DER.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), Notices of Proposed Rulemaking were published in the State Register on October 5, 2016 (SAPA Nos. 14-M-0565SP3 through 14-M-0565SP10). The time for submission of comments pursuant to the Notice expired on November 21, 2016. The comments received are summarized below.

PARTY COMMENTS

On November 21, 2016, the Department of State's Utility Intervention Unit (UIU) submitted comments which include four recommendations. UIU recommends that the costs of utility low-income programs should be allocated across all rate classes because benefits accrue to all classes; that budget billing programs should protect participants from rate shock and provide participants with quarterly usage reports; that utilities should disseminate outreach and education in languages that are accessible to all customers; and that cost effective energy efficiency programs should be encouraged.

On November 21, 2016, the City of New York (NYC) submitted comments. NYC opposes certain aspects of the Low-Income Implementation plans filed by Con Edison and KRDNY. Specifically, NYC states that it opposes the elimination of low-income benefits to direct voucher and utility guarantee customers; opposes the benefit levels included in the Implementation Plans; and opposes the elimination of heating benefits to KEDNY heating customers that have not received a HEAP benefit, yet are HEAP eligible. In addition, NYC suggests that the Commission should direct the utilities to conform their Plans as necessary in response to any Commission ruling(s) on the pending petitions for rehearing and/or clarification.

DISCUSSION

The Low-Income Order expands the number of low-income utility customers receiving discounts, increases the range of benefits that are made available, and requires other program changes. Low-income programs will be opened to all households that receive a HEAP benefit, regardless of fuel type, with further expansions for Con Edison and KEDNY. Discounts will vary based on the level of household income and the presence of vulnerable individuals in the household, as revealed by the customer's receipt of utility HEAP add-on benefits, and, as we determine in the PFR Order, receipt of direct vouchers or utility guarantees.

As noted by the utilities in their filings, implementing these program enhancements will require substantial system and programmatic changes. The utilities generally propose a phased implementation, in which relatively simpler modifications, such as expanding enrollment to all HEAP recipients, are accomplished early in 2017. More complex changes, such as the tiered levels of discounts, are deferred until later in 2017, or 2018, and in some cases possibly beyond.

The Commission will require the utilities to expand enrollment to all HEAP recipients by no later than December 31, 2017, and to implement the tiered levels of discounts, as well as adhering to the revised reporting requirements, by no later than December 31, 2018. Most of the Companies propose to meet these deadlines; for others, some acceleration of the proposed schedule is required. These changes, which are intended to bring much needed relief to the state's most vulnerable customers, must be implemented as quickly as possible, and without any further delays.

Some utilities explicitly discuss annually adjusting enrollment projections, and recalculating discounts and budget levels. The design of the program is intended to undergo such annual adjustment, in order to account for changes in average bill amounts (including the effects of any efficiency improvements) and in enrollment levels, as well as changes in State Median Income (SMI) which underlie HEAP income eligibility limits.[36] All utilities shall perform such annual adjustments, and make an annual filing with updated calculations of average bill amounts, discount levels, projected budgets and budget limits. Given the potential for year to year volatility in usage levels and commodity costs as noted by Orange and Rockland in its filing, utilities should consider using a three year average of bills as the basis for discount calculations.

Eligibility/Enrollment

In about October 2016, OTDA began providing lists of all HEAP recipients in their respective service territories to certain utilities, to comply with federal performance reporting requirements. Provision of this information enables these utilities to enroll all HEAP recipients within their respective service territories, regardless of the type of fuel the customer heats with. The Commission further authorized Con Edison and KEDNY to pursue the file match approach, which identifies and enrolls participants in a variety of social services programs for each Company’s respective program.[37] With these enhancements, the reach of utility low-income programs will increase by more than half, to approximately 1.65 million utility customers. This is a significant step toward the goal of reaching all of the state’s low-income households. As noted above, all utilities shall complete enrollment of additional customers by December 31, 2017.

[36] In this Order, the Commission has accounted for updated income eligibility requirements for the 2016-2017 HEAP program year, as well as any updated information concerning average bill amounts and enrollment levels provided by the utilities in their filings.

[37] Although it was not specifically ordered, KEDLI also plans to conduct a file match with HRA. This covers a very small portion of KEDLI’s service territory; however, this represents a positive initial step toward conducting file matches with Nassau and Suffolk County DSS agencies.

The utilities have begun these processes, although some have indicated that additional time may be needed to develop back office programming changes to automate enrollment of eligible customers who are identified. In addition, the utilities have been advised by OTDA that the initial file transfers will include only a limited population of non-utility HEAP recipients, i.e., those who have directly applied for a HEAP benefit. Households who receive HEAP because they are categorically eligible (this would include recipients of Temporary Assistance and Supplemental Nutrition Assistance Program benefits) will be included in the file transfer when the necessary permissions are obtained, which should occur when such households recertify for those benefits. OTDA has advised that the recertification process may occur over a period of several years.

As a result, some of the utilities have submitted significantly revised estimates of program participation, compared to the estimates that were used in the Low-Income Order. For example, Central Hudson has furnished an estimate of only 16,000 participants, although it states that the program may serve up to 25,000 customers. The latter number is closer to the estimate used in the Low-Income Order.

In contrast, RG&E's participation estimate for gas heating customers has been revised upward considerably, to 34,500, compared to about 26,500 projected in the Low-Income Order. In addition, the Company projects that more than three-quarters will be eligible for the higher Tier 3 discount. In order to ensure that program costs are fully accounted for, including the need to adjust programs that engage the budget cap, the budgets projected in this Order generally assume the highest estimated enrollment levels, i.e., those that would be reached upon full enrollment of all eligible customers.

As part of their annual reviews, some of the utilities have outlined processes to remove customers from the program who are no longer eligible. For example, the National Grid Companies and NYSEG/RG&E propose to annually, in advance of the upcoming HEAP season, remove from the Low-Income Program any customer for whom no HEAP payment was received for the prior HEAP season. In light of the extension of program benefits to non-utility HEAP recipients however, care must be exercised not to de-enroll customers who are eligible based on other criteria than utility receipt of HEAP.

Orange and Rockland requests that OTDA identify customers to the Company by tier level. The Commission recognizes that a statewide file match between the utilities and OTDA, as the repository of information on all New York State residents who receive social services benefits, would facilitate identification and automatic enrollment of additional low-income customers into utility programs. In the Low-Income Order, the Commission identified this as an area that can be addressed in future phases through the Inter-agency Task Force. The Inter-Agency Task Force continues to work on ways to stratify program participants based on variances in income levels and household size. Among other things, the extent to which such information can be shared with utilities must be addressed. At this time, no firm deadline for this process can be established.

In addition, in our PFR Order, we affirmed our determination in the Low-Income Order that the add-ons are a simple and expedient if imperfect tool to achieve the goal of targeting assistance based on differing levels of need. Orange and Rockland must add the necessary logic to its CIS to place customers in the correct Tier.

Discount Levels

For the most part, the utilities propose to implement the discounts set forth in the Low-Income Order, although in general they plan to provide all recipients with the Tier 1 benefit in 2017. The utilities generally propose expanding offerings to include all Tier levels by 2018. As noted above, all utilities must implement the tiered benefit levels by December 31, 2018.

National Fuel declines to propose specific rate discount levels, deferring to its pending rate case. In this Order, the Commission establishes rate discounts in accordance with the methodology established in the Low-Income Order, and as further modified in the PFR Order and herein. As with other utilities, we will allow National Fuel some flexibility to phase in these program modifications over time, with enrollment expanded to all HEAP recipients by no later than December 31, 2017, and implementation of the tiered levels of discounts, as well as adhering to the revised reporting requirements, by no later than December 31, 2018. As needed, the Commission may revisit this schedule when it considers the Recommended Decision in the Company's rate case.[38]

Due to the budget surplus from its previous rate plan, KEDLI provides a minimum discount of $8.81 for its non-heating gas customers, instead of $3 minimum provided in the Low-Income Order. The Commission will approve such a discount for non-heating customers at this time; however, the discount should be reduced to $3.00 in 2018.

Availing itself of the flexibility we allowed utilities in designing rate discounts, Orange and Rockland took a slightly different approach than the default method, which

[38] Case 16-G-0257, National Fuel Gas Rates, Recommended Decision (issued January 23, 2017).

seeks to reduce electric and gas portions of combination bills each to an equal 3% of household income. Orange and Rockland's approach results in a slightly smaller discount to electric service, and a larger discount to gas service, although, for combination customers, the net result would still achieve the 6% energy burden goal. Specifically, rather than a 50%/50% split, the Company proposes that the electric portion make up 61% of the total bill for a combined customer, and the gas portion make up 39%.[39]

The Company's proposed approach could potentially disadvantage any Orange and Rockland electric customers who purchase gas from another utility; however, as there are very few, if any, such customers, the Commission approves the Company's proposed method. Because of other modifications required by this order; however, the Commission modifies the allocation slightly, in order to avoid engaging the budget cap for either electric or gas service. Instead of the 61%/39% split proposed by the Company, the Commission adopts a 56%/44% split for Orange and Rockland.[40] In terms of energy burden, the electric bill will be 3.36% energy burden for participants, and the gas bill will be a 2.64% energy burden.

Orange and Rockland's approach is useful for other combination utilities, where one service may be at or near the 2% budget limit, but not the other. This situation exists at Niagara Mohawk, as well as NYSEG/RG&E. In each of those cases, the 3% energy burden is not reachable for gas heating service without exceeding the budget limit, but the shortfall can be

[39] Id., p. 7.

[40] This result is about halfway between the 50%/50% split adopted in the Low-Income Order and the 61%/39% split proposed by the Company.

offset by a slightly higher discount on electric service. The discounts in Appendix A adopt this approach.

The 6% total energy burden shall continue to apply for electric heating customers. Orange and Rockland is further required to adhere to the Low-Income Order provision that the electric heating discount shall, in addition to achieving a 6% energy burden, not be less than the utility's electric non-heating discount; and that the discount for gas non-heating service need only reduce the gas bill to 3% of household income, or the $3 monthly minimum, whichever is greater.

Orange and Rockland states that it did not increase the target bills by 10% as provided in the Low-Income Order, as it plans to recalculate the average bill annually. In fact, the Low-Income Order contemplates that all utilities would adjust discounts annually. Furthermore, as discussed in the PFR Order, we directed that the average bill from which the discount is taken be grossed up by 10%, in order to address the concern that customers might consume above average, as well as to address variances in income below the maximum. Orange and Rockland is directed to revise its proposed discount levels accordingly.[41]

The PFR Order also clarifies that eligible customers who do not receive a HEAP benefit of any kind, but who are classified as heating customers, should receive a heating benefit, albeit at the Tier 1 level. Niagara Mohawk, KEDNY, and KEDLI propose that customers who receive a HEAP benefit for a non-utility fuel should always receive the non-heating benefit.

It should rarely, if ever, occur that a customer receiving a non-utility HEAP benefit is coded as a utility heating customer. In such cases, the Company should investigate the character of service provided, to determine if the customer

[41] The approved discount levels shown in Appendix A of this Order reflect these modifications.

is properly designated as a utility heating customer. Customers who receive a non-utility HEAP benefit are eligible to receive the Tier 1 benefit for either heating or non-heating service, depending on the type of service to which the customer is assigned, and the utilities are accordingly directed to provide such benefits.

The PFR Order also determines that when a utility's program is at risk of exceeding the budget cap, it should first, eliminate any arrears forgiveness programs and/or reconnection fee waiver programs; and then withdraw the $3.00 minimum discount, and apply only the discount amounts necessary to achieve the 6% energy burden. After those steps have been taken, if the budget required to achieve the 6% energy burden level still exceeds the funding limit, the target energy burden shall be increased (thereby proportionately decreasing all discounts offered), until the funding limit is met. NYSEG/RG&E, facing the 2% limit for gas service, propose to decrease only the Tier 3 heating discount, evidently reasoning that, as the largest of the proposed discounts, such discounts can be safely reduced.

On the other hand, Tier 3 heating customers are likely to be those most in need of relief. NYSEG/RG&E's approach is rejected, and the Companies are directed to proportionately reduce discounts as directed in the Low-Income Order.[42]

Finally, for the reasons discussed in the PFR Order, the utilities shall provide discounts for Tier 4 customers

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[42] For combination utilities where only one service is at the 2% limit, an alternative approach may be to commensurately increase the discount on the other service, as described above. As discussed in greater detail below, the Commission will authorize NYSEG/RG&E to take this approach in order to allow the Companies to continue their respective arrears forgiveness programs.

receiving direct voucher and utility guarantees from social services agencies.[43] The table in Appendix A summarizes all of the proposed and adopted discount levels at each utility, including each of the modifications discussed above.

Emergency HEAP Recipients

The Low-Income Order allowed utilities to consider the impact of Emergency HEAP payments on the customer's net energy burden when setting the level of discount for customers who receive Emergency HEAP payments. No utility proposed to explicitly calculate the impact of Emergency HEAP payments on household net energy burden; however, National Fuel, KEDNY, KEDLI, and Niagara Mohawk propose that any customer who receives an Emergency HEAP benefit be classified as Tier 1, regardless of whether the customer has received regular HEAP add-on benefits. This modification is reasonable, and is approved. In their next annual updates, Central Hudson, Con Edison, Orange and Rockland and NYSEG/RG&E should consider whether adopting this approach is feasible. The Commission notes that the typical utility Emergency HEAP benefit is $490, or sufficient to offset a monthly benefit of approximately $41 monthly. Such amounts could potentially be used to offset utility discount amounts to reach the target energy burden. Very few of the monthly discounts approach or exceed this level.

Budget Billing

The Low-Income Order determined that customers enrolled in utility discount programs will also be enrolled in levelized or budget billing. The utilities were required to propose processes for participating customers to be notified of the option to refuse budget billing, to exercise such option,

[43] As explained in greater detail in the PFR Order, the discounts for Tier 4 customers shall account for the monthly energy allowance provided to households on public assistance.

and to include a detailed description of each utility's budget billing plan, including describing its method for estimating bills when 12 months of billing data are not available.

The utilities generally propose to comply with the budget billing requirements during 2017. Many of the utilities exclude direct voucher/utility guarantee customers from budget billing, as DSS pays bills in full for such customers. Most utilities also drop a customer from budget billing if the customer falls into arrears (typically after two months).

Con Edison was among the utilities that requested clarification regarding whether such program rules should remain in effect for low-income program participants. The Commission hereby clarifies that, but for the requirement that all low income customers must be enrolled, the Low-Income Order does not modify the existing program rules in effect for these programs, including the criteria for maintaining enrollment in the budget billing program.

National Fuel requests guidance regarding whether and to what extent any discount-related credits can be applied to customers' accounts when bills are below the targeted energy burden. While discounts should not rise above monthly bill amounts for customers on budget billing, it may well occur for customers who opt out, particularly during summer months, when heat-related service is not used.

As with rate discounts, utilities will be allowed some flexibility in how to address this concern. As a default method, the preferred approach would be to establish monthly for low-income program participants a minimum bill, that is equal to the lesser of the "target" bill (i.e., the average bill, net of the discount amount) or the customer's actual bill for the month. In other words, if the actual monthly bill is less than the target bill, the customer must pay the bill in full. If the actual bill is more than the target bill, customer discounts are applied (including any reserved credits not applied in previous months) until the bill is reduced to the target amount. Any unused discount amounts are reserved and carried forward as customer credits; however, such credits should not be made available for refund, only as discounts from future bills.

Arrearage Forgiveness

The Low-Income Order allowed, but did not require, arrears forgiveness programs. A limit of funding for arrears forgiveness programs of no more than 10% of the budget was imposed. Any such allocation to arrears forgiveness must be incremental to, and not reduce, the amount directed to rate discounts and must fit within the 2% budget cap.

National Fuel acknowledges that it cannot meet this criteria, and proposes that its arrears forgiveness program be discontinued. Central Hudson also proposes to discontinue its EPOP, but will evaluate possible arrearage forgiveness program designs for the future.

The National Grid Companies each propose to discontinue their respective arrearage forgiveness programs. Given the expected phase-out, the Companies request that they each be required to report only the arrears program data that can be obtained without investing a significant amount in programming costs. This is a reasonable request and is granted. Central Hudson, National Fuel and the National Grid Companies may not enroll any new customers, but may continue customers currently on the arrears forgiveness programs until they complete the program or drop out.

NYSEG/RG&E propose that their existing arrearage forgiveness programs be continued; however, these utilities' gas discount program budgets meet or exceed the annual gas program budget caps. As a result, as decided in the Low-Income Order, funds are not available to support arrearage forgiveness. The method of reapportioning discounts between electric and gas services adopted above provides additional flexibility, and since the electric program budgets do not meet the cap level, provide an option to allow these Companies to continue their respective arrears forgiveness programs. Given that NYSEG/RG&E see value in continuing their arrears forgiveness programs, the Commission adopts modified energy burdens for each Company's respective electric and gas discount programs as follows: 2.63%/3.37% for NYSEG, and 2.58%/3.42% for RG&E. The Companies' respective arrears forgiveness program budgets of $1,500,000 for NYSEG and $1,129,865 for RG&E are approved. Consistent with their rate plans, such costs shall be allocated between electric and gas services according to their common allocation factors. The Companies are reminded of the provision of the Low-Income Order that no administrative costs shall be allowed for arrears forgiveness programs; the amounts approved are for direct customer benefits only.

Program Budgets

As a result of its downwardly revised average bill amounts as described above, Orange and Rockland's program budget is significantly lower than projected in the Low-Income Order, although the Commission has adjusted its discount levels, as described above. As a result of other modifications to benefit levels as described above (perhaps most significantly, extending Tier 4 benefits to direct voucher/utility guarantee customers), and/or changes in projected participation, each of the utilities' program budgets will differ from those in the Low-Income Order and/or each Company's implementation plan filing, although to a lesser degree than Orange and Rockland.

A more detailed listing of low-income discount program budgets appears in Appendix B of this Order. The table below compares the low-income discount program budgets as projected in the Low-Income Order, as proposed by each Company, and as adopted by the Commission in this Order (these figures do not include costs for arrears forgiveness, reconnection fee waivers, or implementation costs):

UTILITY LOW-INCOME DISCOUNT PROGRAM BUDGETS

Company	LI Order	Proposed	Adopted	Percent of Revenues
Central Hudson	$ 12,125,565	$ 7,752,690	$ 12,767,384	1.29%
Con Edison	$ 69,527,410	$ 66,222,000	$ 67,789,449	0.55%
National Fuel	$ 16,165,185	$ 13,430,316	$ 13,430,316	1.99%
KEDLI	$ 7,297,920	$ 6,723,761	$ 7,860,122	0.79%
KEDNY	$ 23,580,580	$ 31,908,000	$ 27,072,413	1.70%
Niagara Mohawk	$ 66,242,256	$ 65,625,602	$ 71,499,627	1.80%
NYSEG	$ 20,195,839	$ 22,446,151	$ 24,624,795	1.24%
Orange and Rockland	$ 20,296,140	$ 8,700,000	$ 14,655,437	1.61%
RG&E	$ 12,296,344	$ 18,586,999	$ 20,020,734	1.65%
Total	**$ 247,727,239**	**$ 241,395,519**	**$ 259,720,279**	**n/a**

Certain utilities also proposed funding for arrears forgiveness programs (of those, all except NYSEG/RG&E propose to discontinue accepting new participants, and to close the program upon the exit of existing participants), and/or reconnection fee waivers. Each of these programs meets the criteria for funding limits (10% of total for arrears forgiveness, 1% of total for reconnection fee waivers), and none causes the low income program as a whole to exceed the 2% budget cap (as noted above, the discount programs for NYSEG/RG&E are shifted slightly from gas to electric, to avoid this). These proposed budgets are approved, as summarized below:

ARREARS FORGIVENESS/RECONNECTION FEE WAIVER PROGRAMS

Company	Arrears Forgiveness	Reconnection Fee Waiver	Total (incl. Discount Program above	Percent of Revenues
Central Hudson	$ 1,237,341	$ 51,138	$ 14,055,863	1.41%
Con Edison	$ -	$ 622,000	$ 68,411,449	0.55%
National Fuel	$ -	$ -	$ 13,430,316	1.99%
KEDLI	$ -	$ -	$ 7,860,122	0.79%
KEDNY	$ -	$ -	$ 27,072,413	1.70%
Niagara Mohawk	$ -	$ -	$ 71,499,627	1.80%
NYSEG	$ 1,500,000	$ -	$ 26,124,795	1.31%
Orange and Rockland	$ -	$ -	$ 14,655,437	1.61%
RG&E	$ 1,129,865	$ -	$ 21,150,599	1.75%
Total	**$ 3,867,206**	**$ 673,138**	**$ 264,260,623**	**n/a**

Implementation Costs

Most utilities did not identify any implementation costs related to modifications to accommodate the new programs. One exception is Orange and Rockland, which forecasts $50,000 in CIS programming costs. Such costs should be easily accommodated within the Company's operational and maintenance budgets.

On the other hand, the National Grid Companies state that they will incur substantial CIS change costs, totaling more than $7 million. Project costs by Company are as follows:

KEDNY $3.302 million

KEDLI $0.889 million

NMPC $2.819 million

Total $7.009 million

These costs are very large. The Commission will not approve such expenditures without examining the costs in greater detail. If the Companies wish to seek recovery of these costs, each should make a filing in accordance with the provisions of their respective rate plans. These filing should provide a detailed cost analysis and documentation to substantiate these costs.

Cost Allocation/Cost Recovery

The utilities generally propose to use their existing low-income program cost allocation and cost recovery methods. As discussed in the PFR Order, these methods generally follow the principle that costs are allocated in proportion to the relative contribution made by each class to annual embedded cost of service transmission and distribution revenue requirement.[44] Any variances between program expenditures and rate allowances will be handled through existing reconciliations or deferral treatments that have been established in rate proceedings. Some utilities already collect or pass back under- or over-recoveries through revenue decoupling mechanisms (RDMs) or other rate mechanisms. These utilities have requested authorization to continue doing so. The National Grid Companies request authorization to defer any such variances. These proposals are approved.

Energy Efficiency/Demand Response/Renewables Programs

Some utilities already have robust energy efficiency programs that target low-income customers. For example, National Fuel's Low Income Usage Reduction Program (LIURP) is a weatherization program that is administered in conjunction with the NYSERDA's EmPower-NY program. KEDLI is implementing a new low-income energy efficiency program to replace the EmPower-NY program on Long Island.

Other utilities commit to improving the customer referral processes to NYSERDA for EmPower-NY treatment. Niagara Mohawk states that it will identify and select customers with the highest usages first. Central Hudson committed to submit a plan for prioritizing referrals in November 2017.

[44] As discussed in the PFR Order, an exception is Central Hudson, which must propose a new cost recovery method, consistent with the PFR Order, in its next rate case.

Orange and Rockland proposes to implement a direct install energy efficiency program, including a behavioral education component, at an annual cost of $4.5 million. Orange and Rockland is correct that achieving affordability for low-income households cannot be accomplished through rate discounts alone, and requires a more comprehensive strategy. However the Company's proposed energy efficiency program should be considered in the context of the Company's Energy Efficiency Transition Implementation Plan (ETIP) or future energy efficiency initiatives. In addition, the Commission previously recognized NYSERDA's role as the default provider of low-income energy efficiency services, while encouraging utilities to develop innovative programs to expand the reach of measures that include energy efficiency within low-income communities, in concert with and not in competition with efforts of NYSERDA and private market activity. The Commission encourages Orange and Rockland to include the direct install program as part of its future energy efficiency initiatives and demonstrate that the program is complementary not duplicative of services provided by NYSERDA.

<u>Outreach and Education</u>

The Low-Income Order noted that an often overlooked tool for helping low-income households maintain utility service is increasing energy literacy, and utilities were directed to incorporate educational efforts into their low-income programs, and explain their strategies for doing so in their filings.

For the most part, the outreach and education efforts proposed by the utilities are oriented toward marketing and promoting the discount program, rather than counseling in household budgeting and financial management, energy savings actions, or information on how to participate in community DG and other DER projects. Although some utilities will manually enroll customers, the discount program is designed to rely on automatic identification and enrollment of eligible customers. Extensive marketing efforts should not be required.

There were some exceptions, however, as noted earlier. For example, National Fuel states that its longstanding Conservation Incentive Program is designed to increase energy literacy and helps low-income households maintain utility service. Con Edison believes its digital customer experience (DCX) project, when fully implemented, will present new opportunities for promoting energy literacy among low-income customers. Central Hudson proposes to leverage its existing CenHub web platform, which was developed as a REV demonstration project, and which provides access to energy savings tips, insights and product rebates. Orange and Rockland also proposes to modify its MY ORU ADVISOR web platform, which was developed as part of its REV demonstration project, to include an experience designed specifically for low-income customers.

These initiatives show promise, and the Commission encourages the utilities to continue consideration of outreach initiatives that can promote energy literacy among low income households.

The National Grid Companies request approval to defer fairly large costs related to outreach and education efforts, which appear to be designed to raise awareness of the discount program, rather than promote energy literacy. First year outreach costs by Company are as follows:

KEDNY	$80,000
KEDLI	$13,000
NMPC	$86,000
Total	$179,000

As noted above, marketing of the discount program should not be required. To the extent the Companies believe that raising awareness is needed, such efforts should be accommodated within the Companies' existing outreach budgets. Approval of additional outreach spending accordingly is denied.

Reporting Requirements

Due to needed upgrades to CIS systems, most utilities seek to transition to the updated reporting requirements, with most proposing to meet the full reporting requirements in 2018. For all of the subject utilities, the Commission shall require the full reporting regimen to be in effect by December 31, 2018.

CONCLUSION

Maintaining universal, affordable service is a critical driver of the REV initiative. The affordability policy articulated in the Commission's Low Income-Order seeks to limit energy costs for the approximately 2.3 million low-income New York households at or below 200% of FPL to no more than 6 percent of household income.

With this Order, we modify and approve the utility implementation plans and thereby take the first steps towards realizing this vision. Given the phased approach to implementing the Commission's low-income policies, utilities will need to update their implementation plans on an annual basis. Among other things, reaching all 2.3 million households below 200% of FPL will involve establishing new partnerships and new ways for utilities to identify and enroll eligible customers.

As we have said before, achieving the 6% goal cannot be accomplished through rate discounts alone; a more comprehensive strategy is necessary. Ultimately, the best solution for all customers, including low-income, lies in facilitating opportunities to invest in clean energy and the means to reduce energy costs. Greater access and support for low-income and underserved communities to DER is the best way to narrow the affordability gap that needs to be filled with direct financial assistance for customers with low incomes. Working with the inter-agency task force and the other stakeholders, the Commission will continue its work to expand access to clean energy and ensure that low-income customers are better served by the state's energy efficiency and assistance programs. The utilities' requirement to file newspaper notification of the tariff change in compliance with this Order is waived.

The Commission orders:

1. The low-income implementation plans filed by Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Orange & Rockland Utilities, Inc., National Fuel Gas Distribution Corporation, The Brooklyn Union Gas Company d/b/a National Grid NY, KeySpan Gas East Corporation d/b/a National Grid, Niagara Mohawk Power Corporation d/b/a National Grid, New York State Electric & Gas Corppration, and Rochester Gas and Electric Corporation are approved, with the modifications discussed in the body of this Order.

2. The Companies listed in Ordering Clause One are directed to file, on no less than two days' notice, tariff amendments implementing the provisions discussed in the body of this Order to become effective on April 1, 2017.

3. The requirements of Public Service Law §66(12)(b) as to newspaper publication of the changes proposed by the tariff amendments required in Ordering Clause No. 2 are waived.

4. In the Secretary's sole discretion, the deadlines set forth in this order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least one day prior to the affected deadline.

5. This proceeding is continued.

By the Commission,

(SIGNED) KATHLEEN H. BURGESS
Secretary

Central Hudson								
Income Level	Electric Heating		Electric Non-Heat		Gas Heating		Gas Non-Heat	
	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted
Tier 1	$23	$19	$23	$19	$34	$30	$3	$3
Tier 2	$39	$37	$39	$37	$50	$48	$3	$3
Tier 3	$72	$72	$56	$56	$67	$67	$3	$3
Tier 4	$0	$39	$0	$39	$0	$50	$0	$3

Con Edison								
Income Level	Electric Heating		Electric Non-Heat		Gas Heating		Gas Non-Heat	
	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted
Tier 1	$10	$10	$10	$10	$50	$50	$3	$3
Tier 2	$10	$10	$10	$10	$50	$50	$3	$3
Tier 3	$22	$22	$14	$14	$50	$50	$3	$3
Tier 4	$0	$10	$0	$10	$0	$50	$0	$3

New York State Electric and Gas								
Income Level	Electric Heating		Electric Non-Heat		Gas Heating		Gas Non-Heat	
	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted
Tier 1	$3	$4	$3	$4	$3	$3	$3	$3
Tier 2	$11	$20	$11	$20	$18	$5	$3	$3
Tier 3	$28	$36	$28	$36	$23	$26	$3	$3
Tier 4	$0	$22	$0	$22	$0	$8	$0	$3

Niagara Mohawk								
Income Level	Electric Heating		Electric Non-Heat		Gas Heating		Gas Non-Heat	
	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted
Tier 1	$11	$11	$11	$11	$3	$3	$3	$3
Tier 2	$27	$29	$27	$29	$16	$10	$3	$3
Tier 3	$44	$47	$44	$47	$33	$29	$3	$3
Tier 4	$0	$31	$0	$31	$0	$12	$0	$3
Tier 5 *	$3	$11	$3	$11	$3	$3	$3	$3

Orange and Rockland								
Income Level	Electric Heating		Electric Non-Heat		Gas Heating		Gas Non-Heat	
	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted	Proposed	Adopted
Tier 1	$14	$35	$14	$35	$9	$7	$3	$3
Tier 2	$35	$55	$35	$55	$22	$23	$3	$3
Tier 3	$55	$76	$55	$76	$36	$39	$3	$3

Tier 4	$0	$57	$0	$57	$0	$25	$0	$3

Rochester Gas and Electric								
Income Level	**Electric Heating**		**Electric Non-Heat**		**Gas Heating**		**Gas Non-Heat**	
	Proposed	**Adopted**	**Proposed**	**Adopted**	**Proposed**	**Adopted**	**Proposed**	**Adopted**
Tier 1	$3	$4	$3	$4	$3	$3	$3	$3
Tier 2	$9	$20	$9	$20	$13	$3	$3	$3
Tier 3	$26	$35	$26	$35	$19	$20	$3	$3
Tier 4	$0	$21	$0	$21	$0	$3	$0	$3

KEDLI								
Income Level	**Electric Heating**		**Electric Non-Heat**		**Gas Heating**		**Gas Non-Heat**	
	Proposed	**Adopted**	**Proposed**	**Adopted**	**Proposed**	**Adopted**	**Proposed**	**Adopted**
Tier 1					$41	$37	$9	$9
Tier 2					$57	$55	$9	$9
Tier 3					$74	$74	$9	$9
Tier 4					$0	$57	$0	$9
Tier 5 *					$9	$37	$9	$9

KEDNY								
Income Level	**Electric Heating**		**Electric Non-Heat**		**Gas Heating**		**Gas Non-Heat**	
	Proposed	**Adopted**	**Proposed**	**Adopted**	**Proposed**	**Adopted**	**Proposed**	**Adopted**
Tier 1					$19	$17	$3	$3
Tier 2					$35	$33	$3	$3
Tier 3					$52	$51	$3	$3
Tier 4					$0	$35	$0	$3
Tier 5 *					$3	$17	$3	$3
Tier 6 *					$19	$17	$3	$3

National Fuel Gas								
Income Level	**Electric Heating**		**Electric Non-Heat**		**Gas Heating**		**Gas Non-Heat**	
	Proposed	**Adopted**	**Proposed**	**Adopted**	**Proposed**	**Adopted**	**Proposed**	**Adopted**
Tier 1					$3	$0	$3	$0
Tier 2					n/a	$7	n/a	$0
Tier 3					n/a	$28	n/a	$0
Tier 4					$0	$9	$0	$0

* The National Grid Companies propose a Tier 5 applicable to customers receiving a non-utility HEAP payment. In addition, KEDNY proposes a Tier 6 applicable to grandfathered customers of its existing low income program.

Low Income Program Budget Summary

	Energy Burden	Commodity	Adopted Budget	Percent of Total Revenues
Central Hudson	3.00%	Electric	$9,361,520	1.17%
	3.00%	Gas	$3,405,864	1.76%
	6.00%	Total	$12,767,384	1.29%
Con Edison	3.00%	Electric	$54,935,174	0.52%
	3.00%	Gas	$12,854,276	0.70%
	6.00%	Total	$67,789,449	0.55%
NYSEG	2.63%	Electric	$15,616,026	1.02%
	3.37%	Gas	$9,008,769	1.93%
	6.00%	Total	$24,624,795	1.24%
NiMo	2.87%	Electric	$56,594,193	1.76%
	3.13%	Gas	$14,905,434	1.99%
	6.00%	Total	$71,499,627	1.80%
O&R	3.36%	Electric	$10,994,262	1.61%
	2.64%	Gas	$3,661,175	1.62%
	6.00%	Total	$14,655,437	1.61%
RG&E	2.58%	Electric	$13,254,129	1.57%
	3.42%	Gas	$6,766,605	1.86%
	6.00%	Total	$20,020,734	1.65%
KEDNY	6.00%	Gas	$27,072,413	1.70%
KEDLI	6.00%	Gas	$7,860,122	0.79%
NFG	7.03%	Gas	$13,430,316	1.99%
TOTAL/Average		Electric	$160,755,304	1.32%
		Gas	$98,964,974	1.59%
		Total	$259,720,279	1.40%