

ALJs' Questions to the Parties

Question #	Reference / Source	Question
ALJ-1	JP App. 1, Schedule 3, p. 1 and App. 2, Sched. 3, p. 1	Provide the approximate percentage increases in Rate Years 2 and 3 (absent levelization) for KEDLI and KEDNY.
ALJ-2	Case 14-G-0503 Petition & 6/28/16 Notice of Settlement Discussions	Explain the reason for the difference between the \$6,439,552.84 refund total indicated in the Notice of Tax Refund filed on 11/20/14 and the refund amount referenced on page 2 of the Notice of Settlement Discussions filed 6/28/16.
ALJ-3	JP Section VI.5, p. 111	<p>NY Call Centers</p> <p>To KEDLI & KEDNY: 1) State whether the recommendation to allow calls to be shifted to other facilities would result in any potential loss of jobs in the originating call center.</p> <p>2) Would the shifting of calls to other call centers result in any additional costs being incurred for the originating service area affiliate?</p>
ALJ-4	JP Sec. IV. 7.6, p. 47	<p>Tripling & Quadrupling Provisions</p> <p>To DPS Staff & Companies: 1) Explain why the issues supporting the PSC's determination in the 9/17/07 order referenced in the JP (Case 06-M-0878, pp. 143-44) no longer exist.</p> <p>2) Identify the customer service performance metrics that KEDLI did not meet in recent years and support for the statement that KEDLI's customer service performance has nevertheless generally improved.</p> <p>To KEDLI: 3) Explain the basis for the testimony that KEDLI missed certain customer service metrics "due to factors largely out of KEDLI's control such as Superstorm Sandy and the extreme cold weather" (Ex. 127, p. 55), and that the reasons why KEDLI missed such metrics "were essentially weather related or otherwise attributable to deployment of AMRs and/or a new call center" (Ex. 265, p. 13)</p>
ALJ-5	JP Sec IV. 3.6.2; V.3.6.2 and VI.21	<p>1) Do base rates reflect recovery of any level NYFS LAUF?</p> <p>2) Explain with respect to the system description, how the NYFS LAUF differs from the LAUF discussed in JP sections IV. 3.6 and V.3.6.</p> <p>3) Does the NYFS LAUF relate to any portion of the gas system that is considered as part of interstate gas system?</p>

		4. Explain whether the Commission has issued the White Paper referenced in DPS Staff Exhibit SGRP-12 (proposed Hearing Exh. 347) in any other proceeding and whether it has adopted any recommendations produced as a result of the White Paper.
ALJ-6	JP Sec IV.6.1.4; JP Sec V. 6.1.4	Explain what the anticipated annual customer bill impact (\$) is, if any, resulting from: 1) changing the SIR recovery to a base rate allowance versus recovery via surcharge in the most recent reconciliation period; 2) allowing KEDNY to recover (via surcharge beginning in RY 2) up to 2% of the prior year's aggregate revenues (greater than the difference between actual and the \$25 M forecast expense) for Gowanus Canal and Newtown Creek. .
ALJ-7	Staff SIS, p. 17	Please reconcile the following: JP section IV.6.2.10 indicates that KEDNY will be allowed 270 new fulltime equivalent (FTE) positions; and, section V.6.2.6 indicates that KEDLI will be allowed 174 new FTEs. Staff notes on page 16 of its Statement in Support of the JP that the JP reflects an agreement on incremental FTE salaries to be a midpoint between the Companies' and Staff's positions, and that the JP proposes inclusion of 380 FTEs.
ALJ-8	JP Sec IV.5.5.3 JP Sec V.5.5.3	Explain where the Statement of Gas Safety and Reliability will be filed and how often it will be filed (i.e., annually, monthly, etc.)
ALJ-9	JP Sec VI.13	Identify where the annual cost breakdown of REV Demonstration Projects is in the Joint Proposal appendices.

ALJs' Second Set of Questions to the Parties

Question #	Reference / Source	Question
ALJ-20	JP Sec IV. 5 and V. 5	Ques.: Provide a breakdown of the annual Leak Prone Pipe replacement for KEDNY and KEDLI from 2015 through the three rate years.
ALJ-21	JP Sec VI. 13.	Ques.: 1) Provide an explanation of the Companies reasons for selecting low income customers in low income areas for the micro CHP programs. 2) What would be the unit cost increase for expanding the Micro CHP program above the 10 unit thresholds for KEDNY and KEDLI?
ALJ-10		Ques.: What is the additional monthly bill impact to SC 1A (residential non-heating) customers, if any, that would result from not freezing minimum charges to that class?
ALJ-11	JP Sec IV.2.2 and V.2.2.	Ques.: 1) Provide an estimate of the total savings (\$) that would result from the method of accruing interest on the levelized revenue increases using 50% of N. Grid pool current money pool rate (1.16%) . 2) State how this financing differs from past practice for these companies.
ALJ-12	JP Sec IV.6.2.3 and V. 6.2.3.	Re: Automatic Uploads to EPS Portfolio Manager Ques.: 1) Describe what coordination needs to be done between NYC and the Companies and whether the information reported will be based solely on the Companies' records. 2) Do the Companies currently report this information to any government body in any other format? 3) How was the \$750,000 cost recovery cap determined? 4) Provide an estimate of the actual costs for each rate year.
ALJ-13	JP Sec IV.9.1.3 and V.9.1.3	Ques.: 1) State the basis for the amount of the increase in KEDNY's proposed budget for Low Income Discount Programs from the \$12.875 million proposed in testimony (Testimony of Shared Services Panel, p. 69) to the \$25 million allowed for Rate Year One in the Joint Proposal (JP, p. 58).

		2) State the basis for the amount of the increase in KEDLI's proposed budget for Low Income Discount Programs from the \$4.661 million proposed in testimony (Testimony of Shared Services Panel, p. 69) to the \$5.4 million allowed for Rate Year One in the Joint Proposal (JP, p. 105)
ALJ-14	JP Sec V.7.6	<p>Ques.: 1) Identify the customer service quality metrics and applicable years with respect to Staff's statement that KEDLI "has missed metrics in recent years" and state the basis for Staff's further statement that KEDLI's "performance has generally improved" (Staff Statement In Support, p. 53);</p> <p>2) Identify the metrics and explain the basis for KEDLI's testimony that it missed metrics "due to factors largely out of KEDLI's control such as Superstorm Sandy and the extreme cold weather" (Ex. 127, p. 55) and that the metrics it missed "were essentially weather related or otherwise attributable to deployment of AMRs and/or a new call center" (Ex. 265, p. 13).</p>
ALJ-15	JP Sec IV.6.2.10; V.6.2.6	Ques.: Explain the disparity between the number of full time equivalents listed for KEDNY as 270 and for KEDLI as 134 in the JP, and the number listed for both Companies as 380 in Staff's Statement in Support, at p. 48.
ALJ-16	JP Sec IV. 9.3; V.9.4	<p>Re: KEDNY Customer Conversion Rebate Program and KEDLI Residential Customer Conversion Rebate Program</p> <p>Ques.: 1) Explain what customers (residential, commercial and/or industrial) would be eligible to participate in this rebate program.</p> <p>2) Explain why the KEDNY and KEDLI programs are set up differently. 3) What percentage of a KEDNY or KEDLI customer's costs would the rebates cover?</p>
ALJ-17	JP Sec IV. 6.2.7.	<p>RE: KEDNY Third Party Payment Center processing fees</p> <p>Explain how the Third Party Payment Center is paid for the processing fees?</p>
ALJ-18	JP Sec IV. 6.2.8	<p>Re: KEDNY Variable Interest Rate True-up</p> <p>Why is the interest default rate based on a percentage of the then existing London Interbank Offer Rate (LIBOR)?</p>
ALJ-19	JP Sec IV.5.1, V.5.1	Ques.: (1) Identify all record support for Staff's statement that KEDNY and KEDLI incorrectly reported their Main Replacement Program-Leak

<p>Prone Pipe unit cost for 2013 and did not include the costs associated with Super Storm Sandy/ 2) Identify where those unit costs were updated. 3) Identify where and the amount by which the updates to those unit costs and the five-mile increase to the LPP removal mileage target are reflected in the final Mandated category investment levels.</p>		
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Cases 16-G-0058, 16-G-0059

ALJs' Third Set of Questions to the Parties

Question #	Reference / Source	Question
ALJ-22	JP Sec V.6.1.5	To KEDLI: Provide a current calculation showing the amounts and allocations of tax refunds proposed to be distributed to resolve the tax refund petition proceedings in Cases 11-G-0601, 13-G-0498 and 14-G-0503
ALJ-23	JP Sec IV.5.3 and V.5.3	1) Identify where in the record the terms of KEDNY's CISBOT and CIP Pipe Lining Programs can be found, including the capital investment levels for the Rate Years and any inspection and reporting requirements; 2) Identify where in the record the terms of KEDLI's CIP Pipe Lining Program can be found, including the capital investment levels for the Rate Years and any inspection and reporting requirements.
ALJ-24	JP Sec IV.5.4 and V.5.4	State whether the unit cost savings for LPP replacements needed to accrue a positive revenue adjustment will exceed the dollar amount of the positive revenue adjustment
ALJ-25	JP Sec IV.6.1.4 (b)	To KEDNY: 1) Reconcile JP Sec IV.6.1.4 (b) and the example provided in JP Appendix 6, Schedule 4, p.1, explaining when collection of the SIR Recovery Surcharge for excess costs would not begin. 2) Provide an estimate, based upon the agreed upon revenue increases in the Joint Proposal, of the maximum (\$) annual surcharge amounts and the customer bill impacts (%) that would result from implementing the surcharge based on 2% of prior year's aggregate revenues.
ALJ-26	JP Sec IV.6.1.4 and V.6.1.4	Explain with respect to JP Appendix 1, Schedule 3, p. 1 "Levelization With SIR Adjustment 14.85%" and Appendix 3, Schedule 3, p.1 "Levelization With SIR Adjustment 8.1%" what, if any, additional customer bill impact (% increases) might result from the SIR Recovery provisions for KEDNY and KEDLI in the three rate years.
ALJ-27	JP Sec IV.6.1.4 and V.6.1.4	The Commission's Order Concerning Costs for Site Investigation And Remediation, issued on November 28, 2012, in Case 11-M-0034 (page 12), states "we expect Staff and the other parties to explore opportunities to allocate some portion of excess earnings to SIR costs"). In footnote 45 on

		<p>page 18 of its Order Adopting Terms of a Joint Proposal, issued in Case 12-G-0544 on June 13, 2013, the Commission further stated that its expectation is that the parties would explore opportunities to aggressively allocate some portion of excess earnings to pay down deferred SIR costs.</p> <p>Provide an explanation of the parties' efforts to address the Commission's expectation.</p>
ALJ-28	JP Sec V.3.9	<p>This provision of the JP states that KEDLI will pass 100 percent of the revenues from its agreement with Brooklyn Navy Yard Cogeneration Partners to firm sales and transportation customers through the GAC and the transportation adjustment clause ("TAC").</p> <p>DPS Staff notes in its Statement in Support of the JP (p. 26) that the current the current ratemaking treatment for the Brooklyn Navy Yard is to use the first \$3 million to offset SIR costs, with the remainder was treated as other revenue (offsetting the revenue requirement).</p> <p>Explain why the first \$3 million of revenues should not continue to be applied to SIR costs.</p>
ALJ-29	JP Sec IV.2.1 and V.2.1	<p>1)Identify the overall changes in property tax assessments on existing plant and the property tax assessments on new plant added since KEDNY's and KEDLI's rates were last reset.</p> <p>2)Explain the revenue requirement impact of these changes</p>
ALJ-30	JP Sections IV.3.3 and V.3.3; PULP Statement in Opposition, p. 21	<p>To PULP:</p> <p>Identify where in your pre-filed testimony it explains that the cost of the Companies' basic services, or monthly minimum charge, has risen 164% (and noted on page 21 of your Statement in Opposition to the JP).</p>
ALJ-31	JP Section VI.4	<p>To DPS Staff, KEDNY and City of New York:</p> <p>1)What is the cost for installation of AMI-adaptable AMR meters in New York City accounts administered by the Department of Citywide Administrative Services billing arrangement that do not currently have AMR meters?</p> <p>2)Who is paying for those costs?</p>

		<p>3)What buildings will the AMI-adaptable AMR meters be installed in.</p> <p>4)How does the installation of AMI-adaptable AMR meters in New York City compare to the installation of such meters to other similarly-situated customers.</p>
ALJ-32	JP Section VI.10	<p>To KEDLI, KEDNY and DPS Staff:</p> <p>What justification exists to support the moratorium on new TC customers.</p>
ALJ-33	JP Sections IV.3.4 and V.3.4	<p>To KEDLI, KEDNY and DPS Staff:</p> <p>1)Explain how rates will be affected from the modification of the rate design for TC and IT customers.</p> <p>2) What justification exists to support the application of the MFC assessment to TC and IT customers.</p>

Cases 16-G-0058, 16-G-0059

ALJs' Fourth Set of Questions to the Parties

Question #	Reference / Source	Question
ALJ-34	JP Sec. IV.5.9	<p>To KEDNY:</p> <p>1) Provide explanation of the permitting process in New York City, the nature of work to be performed and why it could result in a Notice of Violation (NOV) being issued to KEDNY.</p> <p>2) Describe what action(s) the company has taken in an effort to mitigate the issuance of NOV's.</p>
ALJ-35	JP Sec. IV.2.1 and Sec. V.2.1. and Ex. 377	<p>To DPS Staff:</p> <p>1) Explain what consideration was given to utilizing an equity ratio other than 48%.</p> <p>2) Explain in general what, if any, potential impact on the Companies' risk profiles, bond ratings, and revenue requirements might result from using a lower or higher equity ratio.</p>
ALJ-36	JP Sec IV.7 and Sec V.7	<p>Does the Joint Proposal make any changes to the current allocation across customer service performance metrics of the total pre-tax potential negative revenue adjustment to which KEDNY is exposed and, if so, what are they?</p> <p>How does the Joint Proposal change the current allocation across customer service performance metrics of the total pre-tax potential negative revenue adjustment to which KEDLI is exposed?</p>