



2 Hanson Pl
Brooklyn, NY 11217
E-Mail: benjamin.falber@nationalgrid.com

Ben Falber
Senior Counsel
NY Regulatory

July 26, 2024

VIA ELECTRONIC FILING

Honorable Michelle L. Phillips, Secretary
New York State Public Service Commission
Three Empire State Plaza, 19th Floor
Albany, NY 12223-1350

Re: Case 14-M-0565 - Proceeding on Motion of The Commission to Examine Programs to Address Energy Affordability for Low Income Customers

Case 20-M-0266 – Proceeding on Motion of the Commission Regarding the Effects of COVID-19 Utility Service

Energy Affordability Program – KEDNY Notice of Errata

Dear Secretary Phillips:

The Brooklyn Union Gas Company d/b/a National Grid NY (“KEDNY” or the “Company”) submits Notice of Errata correcting certain EAP reporting figures.

On May 15, 2024 The Brooklyn Union Gas Company d/b/a National Grid NY (“KEDNY” or the “Company”) submitted its report regarding its Energy Affordability Program (“EAP”) expenditure reporting, which addressed the information requirements discussed in the Public Service Commission’s (“Commission”) “Order Authorizing Energy Bill Credit” issued and effective February 15, 2024¹ (“KEDNY EAP Expenditures Report”).

As described in the KEDNY EAP Expenditures Report, the Company inadvertently used the wrong line item from an internal report to report its 2022 EAP expenditures and record its EAP deferral balance during the period January 2018 through January 2024. KEDNY verified that customers were not harmed by this error and that EAP customers received the correct EAP discount. Since identifying the issue, the Company enhanced its control framework to avoid future issues and corrected the EAP deferral balance, which is further described in the KEDNY EAP Expenditures Report.

¹ See Case 23-M-0298, *In the Matter of Budget Appropriations to Enhance Energy Affordability Programs*; Case 14-M-0565, *Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers*.

In Section II of the KEDNY EAP Expenditures Report, KEDNY included corrections to its annual EAP program reports submitted in the above referenced cases. As provided in the KEDNY EAP Expenditures Report:

- i. January 31, 2024 Annual Report Filing Section II KEDNY discount costs for the 2022-2023 program year (i.e., 12/1/2022–11/30/2023) are listed as \$45,108,162. The correct amount is \$47,159,703.
- ii. January 31, 2023 Annual Report Filing Section II KEDNY discount costs for the 2021-2022 program year (i.e., 12/1/2021-11/30/2022) are listed as \$44,733,774. The correct amount is \$40,640,766.

In addition, Section II of the KEDNY EAP Expenditures Report identified the quarterly and monthly EAP reports impacted by the reporting error and Section V included KEDNY's intent to correct these errors, which is now provided in this filing. Attachment 1 provides correct figures for the following previously reported line items that have been provided in the form of Appendix D of the Commission's "Order Adopting Low Income Program Modifications and Directing Utility Findings" issued and effective May 20, 2016:²

- Line 5a: Rate discounts
- Line 5b: Over/under collection
- Line 7a: Reconnection fee waivers
- Line 7b: Remaining balance
- Line 10a: Total over/under collection
- Line 10b: Regulatory asset/liability balance

As described in the KEDNY EAP Expenditures Report, the corrections to Line 5 address the discrepancy between KEDNY's reported EAP expenditures and what is being recorded on KEDNY's general ledger and provided to customers. During its review, the Company encountered one instance that reconnect fee waivers were reported incorrectly on line 7a due to the exclusion of one month's worth of information for the three-month quarter. Line 7b reports corrections the reconnect fee deferral, which was previously incorrectly reported as the actual rate allowance rather than the calculating the deferral using the reconnect fee waiver less the rate allowance. Line 10 reflects changes to the total amount because of these corrections.

For the corrections to 7a and 7b, the Company has verified that the customers were not harmed by this error, EAP customers received the correct reconnection fee waivers, a correction to its deferral balance is not required, and the corrections are consistent with its general ledger. The corrections to 7a and 7b are purely a reporting error and, like its EAP expenditure reporting, the following steps have been taken to improve internal controls:

- The Company has included reconnection fee waiver amounts in its secondary review process for the monthly EAP report to ensure that the correct numbers are reported, and that there are two individuals involved in reviewing the reports prior to filing. This process also includes sending a copy of the filing to New York Rates and Pricing and General

² Case 14-M-0565, *Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers*.

Hon. Michelle L. Phillips, Secretary

July 26, 2024

Page 3 of 3

Accounting to confirm that the same reconnection fee waiver number is being used to calculate the deferral balance and the monthly EAP report.

- The Company has updated its Standard Operating Procedure for the monthly EAP reporting that ensures this verification for the reconnection fee waiver amounts occurs and is properly reported.

Please contact me if you have any questions regarding this report. Thank you.

Respectfully submitted,

/s/ Ben Falber

Ben Falber