



Carol Teixeira
Manager, NY Electric Pricing

August 31, 2020

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

RE: Case 20-E-0376- In the Matter of the 2019 Amendment to the Public Authorities Law, Section, 1005 (C. 58, L. 2019), Relating to Expanded Authority for the New York Power Authority to Contribute to Existing Economic Development Customers and Serve New Governmental Entities

Dear Secretary Phillips:

The attached tariff revision is hereby submitted by Niagara Mohawk Power Corporation d/b/a National Grid ("Company") regarding Case 20-E-0376.

Fourteenth Revised Leaf No. 2
Fourth Revised Leaf No. 152
Fourth Revised Leaf No. 172
Fourth Revised Leaf No. 194.1
Eleventh Revised Leaf No. 194.10
Second Revised Leaf No. 203
Ninth Revised Leaf No. 221
Fifth Revised Leaf No. 221.1
Seventh Revised Leaf No. 229.1
Seventeenth Revised Leaf No. 263.2
Eighth Revised Leaf No. 399

To PSC No. 220 Electricity (the "Tariff")
Effective: January 1, 2021

This filing is made in compliance with the Public Service Commission ("Commission") Notice of Tariff Filings Due to Amendment of the Public Authorities Law, issued and effective July 29, 2020 in Case 20-E-0376 (the "Notice"). The purpose of this filing is for the Commission to consider tariff modifications that may be necessary to effectuate amendments to the Public Authorities Law ("PAL"), specifically PAL §1005. Pursuant to the amended PAL §1005, subdivision 27(a), the New York Power Authority ("NYPA") is authorized to supply power and energy procured from competitive market sources or supply renewable power and energy procured from competitive market sources to any: (i) authority customer, (ii) public entity; or (iii) Community Choice Aggregation ("CCA") community through the supply of such products through an energy services company or other entity that is authorized by the Commission to procure and sell energy products to participants of a CCA program.

Tariff Changes

In order to effectuate the amendments to PAL §1005, the Company proposes the establishment of Rule 31 of the Tariff, NYPA Supply Service, that will allow NYPA to supply power and energy to authority customers and public entities as defined in subdivisions 27(g) and 17(b), respectively.¹ The revisions to Rule 31 includes the following provisions.

- Customers who take service under Rule 31 will have their electric power supply provided by NYPA pursuant to a customer's contract with NYPA. If a customer chooses to no longer take service under Rule 31, the customer may choose to take electric power supply from: (a) an energy service company, or (b) the Company.
- Except for supply and supply-related charges and adjustments applicable under Rule 46, Supply Service Charges, customers taking service under Rule 31 shall be assessed all charges under the customer's applicable service classification.
- Customers taking service under Rule 31 will continue to be eligible to participate in energy efficiency programs offered by the Company and by the New York State Energy Research and Development Authority, if otherwise eligible.
- Customers who have designated a portion of their electric power supply requirements to be provided by NYPA under its Recharge New York ("RNY") program, shall be permitted to select NYPA to provide the remainder of their electric power supply under Rule 31.²
- NYPA shall provide at least 30 days' prior written notice to the Company for the initial delivery or termination of electric power supply service under Rule 31 for each customer, unless otherwise agreed upon by NYPA and the Company. Service will be initiated or terminated as of the Customer's first scheduled meter reading date on or after the end of such notice period.
- Consolidated Billing is not available to customers served under Rule 31.

The Company has made changes to other sections of the Tariff as described below.

- Rule 46. 2, Legacy Transition Charge ("LTC"), has been revised to specify that customers taking supply service from NYPA under Rule 31 will not be exempted from the LTC.
- Rule 34.6, Program 5 – Recharge New York ("RNY") Power Program (Effective July 1, 2012), has been revised to allow RNY program customers who have designated a portion of their electric supply requirements to be provided by NYPA under the RNY program to be permitted to select NYPA to provide the remainder of their electric power supply under Rule 31.
- Other tariff revisions as necessary for consistency with the new Rule 31.

¹ Because PAL §1005 does not authorize NYPA to act as an energy supply company or administrator for CCA programs, no tariff amendments are necessary to implement the CCA-related changes to PAL §1005.

² The Company has also amended the RNY provisions contained in Rule 34.6 to allow NYPA to provide the remainder of an RNY customer's electric power supply under Rule 31.

RNY Customers and Reduced Delivery Service Rates

Customers receiving allocations of power and energy from NYPA under its RNY Program³ will continue to receive exemptions from certain delivery-related surcharges for their RNY allocations.⁴

Under Rule 31, as proposed herein, such customers will be eligible to receive NYPA supply for the non-RNY portion of their loads. However, the delivery surcharge exemptions applicable to a customer's RNY load will not be applicable to the portion of the load service under Rule 31.

The Company's tariff provisions do not extend surcharge exemptions to delivery under Rule 31 for the following reasons:

- Unlike the RNY Program's enabling legislation, the amendments to PAL §1005 do not specify that the new supply options are to be paired with delivery charge discounts or surcharge exemptions. The RNY Program was established pursuant to Economic Development Law §188-a, which:
 - included specific criteria that must be met for customers to be granted allocations under the RNY Program;⁵ and
 - required NYPA to work cooperatively with the Department of Public Service Staff, to recommend to the Commission discounted rates for the delivery of RNY power allocations.⁶

The 2019 amendments to PAL §1005 expanding NYPA's authority to provide electric power supply to NYPA customers and public entities do not contain such requirements.

- The Notice makes no mention of delivery surcharge exemptions.
- Authorizing surcharge exemptions for delivery under Rule 31 would provide NYPA an advantage over other energy services companies (who would remain subject to these delivery surcharges). Such asymmetric treatment would tilt the competitive landscape to NYPA's advantage, which seems unwarranted given that the 2019 amendments to PAL §1005 and the Notice are silent regarding the expansion of delivery surcharge exemptions. Finally, if delivery surcharge exemptions were extended to service under Rule 31, the Company's other customers would be required to make up any associated revenue shortfall.

Implementation Issues

The Company notes that the tariff leaves are filed as directed by the Notice and will be subject to review by Department of Public Service Staff and comment as required under the State Administrative Procedures Act. As such, they may be modified by the Commission based on those reviews and comments.

³ The RNY Program is described in Rule 34 of the Tariff, Economic Development Programs, Rule 34.6, Program 5 – Recharge New York ("RNY") Power Program (Effective July 1, 2012).

⁴ Case 11-E-0176 – In the Matter of the Commission's Implementation of Certain Provisions of the Recharge New York Power Program Act, Order Directing Certain Utilities to Submit Tariff Amendments, issued September 19, 2011 (pp. 13-14). The Commission approved delivery service rates that exclude the SBC, RPS and EEPS surcharges and the RDM Adjustment for the RNY portion of customers' loads.

⁵ Economic Development Law §188-a (c).

⁶ Economic Development Law §188-a (d).

Any modifications to the tariff provisions described in this filing will require further analysis to determine the effort, cost, timing and feasibility of required changes to the Company's billing systems. Therefore, the Company requests that consideration be given in the time frame between any Commission-directed changes to the tariff leaves filed today, if any, and the commencement of billing under Rule 31. For example, while the tariff leaves can become effective on January 1, 2021, as required by the Notice, billing under Rule 31 may commence at a later date due to the need for billing system modifications.

Conclusion and Notice

As directed by the Notice, the tariff amendment is filed by August 31, 2020, to become effective on January 1, 2021. This filing is also made in accordance with Appendix 7-H (electronic filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR, Appendix 7-H). A red-lined version of the tariff leaves is provided in the Attachment.

The Company respectfully requests a waiver of newspaper publication, in accordance with Public Service Law 66(12)(b) and 16 NYCRR 720-8.1, as this program is for a limited population of the Company's customers and NYPA may advertise the availability of power and energy to customers eligible for this program.

Please contact the undersigned of any action taken regarding this filing.

Respectfully Submitted,

/s/ Carol Teixeira

Carol Teixeira
Manager, NY Electric Pricing