NEW YORK STATE
PUBLIC SERVICE COMMISSION

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In the Matter of a Three-Year Rate Proposal for Electric Rates and Charges Submitted by the Long Island Power Authority and Service Provider, PSEG Long Island LLC.

Matter Number: 15-00262

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BRIEF OF THE PRESIDING OFFICER OF THE SUFFOLK COUNTY LEGISLATURE ON BEHALF OF THE COUNTY OF SUFFOLK IN OPPOSITION TO THE PSEG LI PETITION TO IMPLEMENT A PROPOSED THREE-YEAR RATE PLAN (2016-2018)

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July 21, 2015
Hauppauge, New York

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OPPOSITION TO THE PSEG LI PETITION TO IMPLEMENT A PROPOSED THREE-YEAR RATE PLAN (2016-2018)

Introduction

The Presiding Officer of the Suffolk County Legislature on behalf of the County of Suffolk (hereinafter "County" or "Suffolk County") submits this brief in opposition to PSEG LI's petition (original file date 1/13/15 and updated in 6/15) to implement a proposed three-year rate plan (2016-2018) for its customers.

The County submits the following arguments in opposition to PSEG's petition.

Exhibits

Exhibit 1 Excel based "bill calculator" created in context to these ongoing proceedings to be used as the basis for creating an on-line tool that would increase transparency for consumers.

Exhibit 2 Correspondence dated October 21, 2014, by DuWayne Gregory, Presiding Officer, Suffolk County Legislature to Department of Public Service relating to Matter Number 14-01299 – PSEG Long Island's Utility 2.0 Plan.

Arguments in Opposition to PSEG LI's Three-Year Rate Plan

I. Illustration of Rates and Charges

Suffolk County observes that in addition to the proposed three-year rate plan (2016-2018), Delivery Rates administered by PSEG LI have increased in 2014 and 2015. Those increases are clearly evident through examination of the LIPA Tariff over the same period. The County strongly recommends that PSEG LI present an accurate and complete picture to ratepayers as it relates to electric rates, including but not limited to a breakdown of the entire bill for a variety of electric rates that is presented for public view, along with expected growth rates for each bill component.

Suffolk County herein submits an Excel based "bill calculator" created in context to these ongoing proceedings to be used as the basis for creating an on-line tool that would increase transparency for consumers. (See, Suffolk County Exhibit 1, hereinafter "SC-1"). SC-1 contains a sample analysis of actual bills across a sample variety of LIPA electric rates (Rate 180 [SC-1a], Rate 280 [SC 1b], Rate 281 [SC-1c], and Rate 285 [SC-1d]) from a "base-year" (in this case 2013). This sample analysis includes the rate modifications implemented by LIPA/PSEG LI in 2014 and 2015 (as available in the published LIPA Tariff and via information provided by DPS LI), as well as the proposed Tariff modifications relating to the rate adjustments submitted in "PSEG LI Exhibit JTT-5." The analyses included in SC-1 provide an illustration of the projected changes in a "typical" summer and non-summer bill across the various rates in both a year-over-year basis – and a comparison to the base-year (2013). Suffolk County recommends that this tool would greatly enhance transparency for the consuming public and thus, should be required in utility rate filings going forward and be made available on-line to ratepayers via a real-time/anytime web access, perhaps on the DPS website. The tool would form the basis for public announcements and public information hearings, and ratepayers may go on-line to "plug-in" specific billing information from their actual bill to get an informed projection of proposed rate adjustments.

II. The Establishment and Scope of Storm Hardening Collaborative

Suffolk County joins with NYC in supporting the establishment of a Storm Hardening Collaborative. Suffolk County recommends that Storm Hardening planning be conducted in collaboration with local municipal authorities – as a natural extension of Emergency Operations Planning and urges inclusion of Suffolk and Nassau Counties, along with NYC, as integral partners in the planning process to best ensure that regional variations in

geography and other locally unique concerns are adequately addressed in a holistic regional plan.

Suffolk County further observes that Storm Hardening should address other weather and climate related issues in addition to costal and low-land flooding, and that these issues should include, but not be limited to, planning related to strategic undergrounding of existing overhead facilities, tree-trimming, and other electric grid infrastructure issues, including pole/platform selection.

III. The County Opposes The Basic Service Charge Proposed by PSEG LI (Residential & Commercial)

Suffolk County is opposed to the increase in the Basic Service Charge proposed by PESG LI and agrees with DPS that this increase would result in a dramatic increase in that portion of the Delivery Rates over the course of the three-year rate plan. The County supports DPS Staff's recommendation that the matter to be included in the REV Track 2 proceedings. (See, Jun 24, 2015 Transcript, DPS Staff Rates Panel, pgs. 1206, 1210, 1212).

IV. The County Opposes the Elimination of Seasonal Electric Rates

PSEG LI and DPS Staff have agreed with the elimination of declining block rates (See, DPS Rates Panel, pg. 1207, 1217-1219). The County generally agrees with this position as declining block rates encourage over consumption. Suffolk County is opposed, however, to the elimination of seasonal electric rates. Moreover, the County views elimination of seasonal electric rates as contrary to the expanded consumer choice envisioned in the pending REV marketplace.

a. Demand Charge and Demand Ratchet Charge

Suffolk County joins with the DPS Rates Panel in opposing a uniform Demand Charge regardless of the season. (See, DPS Rates Panel, Jun 24, 2015 Transcript, pg. 1224). The County also opposes the Demand Ratchet Charge increase from 70 to 85% as proposed by PSEG LI, and agrees with DPS Staff that there be "…no change in the winter ratchet." (See, DPS Rates Panel, Jun 24 Transcript, pg. 1227).

Suffolk County agrees with the DPS Staff Rates Panel that electric rates should be seasonal because the T&D system is sized to meet the maximum summer load (See, Jun 23 Transcript, pg. 1223). Suffolk County has invested aggressively in both energy use and demand reduction efforts and has yielded significant savings as a result of that effort. The County notes that the proposed changes in the Ratchet Charge, and other proposed measures that would smooth the effective annual cost of electric service, might have undermined the cost/benefit analysis that supported the County's initial investments.

b. The County opposes the elimination of Electric Water Heating and Space Heating Rates

Suffolk County opposes the elimination of Domestic Hot Water and Space Heating Rates. Consumers who chose to install all electric water heaters and space heaters were likely influenced by the economics of a preferred electric rate. By removing the benefit of reduced electric rates, many of these consumers will incur significant and unavoidable cost increases, either directly related to an increase in the cost of electricity or costs associated with replacement systems.

c. The County opposes the proposed plan for elimination of the Residential Water Heating Rate

Suffolk County opposes the elimination of the residential water heating rate in a single year, as proposed by PSEG LI, and/or over a five-year period, as proposed by DPS (as described by the DPS Rates Panel in Revised Testimony, pgs. 11-12). The County urges that maintaining the rate as the post REV marketplace evolves would help to strengthen market alternative technologies, such as "heat pump water heaters" and other high efficiency alternatives that suffer from higher first-cost thresholds (which may be mitigated with a preferred electric rate). Rather than eliminating the residential water heating rate, the County recommends the rate be included in the inventory of programs that will be intended to increase consumer choice.

d. The County opposes the proposed plan to eliminate "seasonal" electric heat rates

Suffolk County does not agree with the DPS Staff recommendation that "seasonal" electric heat rates be eliminated over a five-year period (Jun 24 Transcript, pg. 1215), because:

1. Eliminating electric heat rates will result in significant cost increases for electric heat customers. This would be a significant issue for many "low-income" and fixed income ratepayers that would not qualify for "official" low-income relief programs.

2. For many existing electric heat ratepayers the only available alternatives are very costly fuel oil and/or propane systems that may require the installation of very costly interior distribution systems. This would result in an unfair financial burden to electric heat customers.

3. Many ratepayers were enticed to select electric heat as an option by the cost/benefits made possible by the rates. Elimination of the rates without prior

consultation with consumers is a violation of consumer trust in the product, which will serve to undercut the credibility of other utility based initiatives, including the pending REV marketplace.

4. Seasonal electric heat rates encourage greater use of existing electric supply infrastructure during "off-peak" months. Even if only minor at present, this off-peak consumption helps to "flatten" and improve the utility's load factor and annual operating efficiency of the grid.

5. Eliminating electric heat rates reduces consumer choice by reducing viable (affordable) options. The cost of installing "substitute" platforms reduces product selection.

6. There are no sufficient time-variant rate alternatives that could provide cost saving opportunities for these affected ratepayers. This issue should be held over until REV Track 2 recommendations are made and possible options are fully vetted and implemented.

Based on the concerns of constituents, Suffolk County observes anecdotally that many "all-electric" ratepayers are on a fixed-income, or are at an income level considered low, but do not qualify for "low-income" benefits. In many cases, these consumers do not have the financial resources to incur additional costs for electric service and/ or for alternative space conditioning systems.

In fact, Suffolk County observes that in order for existing electric heat customers with electric resistance baseboard, heat pumps, and/or other space-type heaters to adapt to an alternative heating plant, they would likely need to install new interior distribution systems. The installed cost of these systems, including other space and possibly structural modifications that might be required, would pose an unreasonable cost on those consumers. Moreover, many "all-electric" communities are located in regions where natural gas service is not available, so options are limited to fuel oil and/or propane. In many of those communities, structural changes and/or additions to buildings that may be required may be impractical or impossible.

The County understands that there is a difference between maintaining a seasonally high summer rate and a discounted winter rate. The County agrees that seasonal electric rates play an important role during both peak and off-peak seasons. The County opines that instead of dismantling seasonal rates under the current proceedings, instead, this important matter should be considered in greater depth as part of the ongoing REV Track 2 proceedings. If a departure from seasonal winter rates is adopted, the departure should be in context to the impact it will have on the affected ratepayers, and on consumer support for creative market development.

Suffolk County opposes the "flattening" of residential electric rates (i.e. a single cost per kilowatt hour throughout the year) and supports the revised rate structure (i.e. in Rate 180, first 250 kWh and Excess of 250 kWh) as proposed by PSEG LI in Exhibit JTT-12 filed in June 2015.

e. The County opposes a Demand Charge increase for Large Commercial Customers

Suffolk County opposes an increase in demand charges for Large Commercial Customers as proposed by PSEG LI and DPS. (See, Revised Staff Rates Panel Testimony, Jun 24, 2015 Transcript, pg. 1207). Alternatively, the County recommends no increase for those Large Commercial Customers with a "high load factor" (threshold of 65% or greater) and an 11% increase, as recommended by DPS, for those customer accounts that do not meet a "high load factor" threshold. (See, DPS Staff, June 24, 2015 Transcript, pg. 1207).

DPS Staff Rates Panel notes that "LIPA currently has one of the worst load factors of all the New York electric utilities at 44%." (DPS Staff, June 24, 2015 Transcript, pg. 1221). By including load factor in the rate adjustment, consumers are provided a built-in incentive to implement energy efficiency upgrades that will help to reduce peak loads and related operating costs at targeted facilities. In context to REV initiatives, efficiency upgrades would also deliver benefit to the electric grid by reducing system congestion, thereby mitigating future system upgrades.

V. Stand-by Charges

Suffolk County supports determining revisions to standby charges as part of the REV Track 2 proceedings.

VI. Commercial Time-of-Use Exit Provision

Suffolk County supports the creation of an Exit Provision for large commercial time-of-use customers served under the Large General and Industrial Service with multiple rate periods (SC-2MRP/Rate 285) that do not meet the minimum "demand" threshold for that rate. The County currently has approximately sixty-two (62) active electric billing accounts assigned to the LIPA/PSEG LI Rate 285. Of those, we have identified fifteen (15) accounts (based on the recorded demand during the summers of 2013 and 2014) which do not appear to meet the Rate 285 recorded demand criteria.

VII. The County Encourages PSEG LI to offer Rate Counseling to Rate 285 Customers

In relation to the proposed "Escape Clause" for Rate 285 customers, Suffolk County encourages PSEG LI to offer "rate counseling" to ascertain if they are on the appropriate billing rate.

VIII. A Voluntary Critical Peak Pricing Program is Essential

Suffolk County advocates for the development of a Voluntary Critical Peak Pricing alternative to existing electric rates, as proposed by DPS Staff. The County further recommends that a collaborative process that includes input from potential candidate ratepayers would enhance the potential benefits of and subscription to such a rate option. (See, June 24 Transcript, pg. 1229).

IX. Development of Utility 2.0 Programs for Long Island

Suffolk County supports development of Utility 2.0 programs for Long Island and notes that DPS states, "PSEG LI has committed to aligning the Utility 2.0 goals with those of REV." (See, June 23, 2015 Transcript, pg. 559). Regarding PSEG LI's capacity as Service Provider to LIPA across a very broad range of services, including Power Supply Management, Suffolk County opposes PSEG LI's ownership of Distributed Energy Resources (DER) or any other special power supply projects in the Long Island region. The County reaffirms and submits for the Record of these proceedings correspondence dated October 21, 2014, by DuWayne Gregory, Presiding Officer, Suffolk County Legislature to Department of Public Service relating to Matter Number 14-01299 – PSEG Long Island's Utility 2.0 Plan. (Suffolk County Exhibit 2 "SC-2").

Suffolk County understands that development and implementation Utility 2.0 programs will be an evolving process, and in the ongoing proceedings, PSEG LI notes that "there is not a fully approved Utility 2.0 plan in place for LIPA – *and* – … the first proposal called for PSEG LI to fund the Utility 2.0 programs and to earn a utility rate of return on them – *but* – that plan was rejected by LIPA." (See, June 23, 2015 Transcripts, pg. 410-411)(emphasis added). Suffolk County observes that in context to the comprehensive role of PSEG LI in contract to LIPA, the possibility of PSEG LI owning or otherwise earning a "utility rate of return" could result in the actual or perceived exercise of market power by PSEG LI. In that context, Suffolk County reaffirms the comments expressed in Item 6 of the October 24, 2014 letter of P.O. Gregory (SC-2) and requests that exercise ongoing vigilance and continuous monitoring of the many interrelated functions of PSEG LI in service to LIPA.

PSEG LI states that, "The LIPA Board has approved $2 million for additional program development for Utility 2.0 in 2015, and the operating and capital budgets also include projections for $13.3 million and $3.9 million, respectively, of Utility 2.0 program implementation expenditures during 2015 – *and that* – the 2015 budgets approved by the LIPA Board … will be brought to the Board for separate approval upon receipt of a recommendation by the Department of Public Service (DPS)." (See, June 23, 2015 Transcripts, pg. 411) (emphasis added). In that context, Suffolk County recommends that as Utility 2.0 programs develop, and as measurement of Utility 2.0 programs evolves, PSEG LI implement an M & V protocol for ratepayer funded projects based on the guidelines established within the International Performance Measurement & Verification Protocol (Options A through D). The M & V protocol is described in greater detail in the County's comments relating to the Revenue Decoupling Mechanism (see below).

X. Distributed Energy Resources (DER):

Suffolk County observes that a major focus of the evolving REV marketplace involves support of Distributed Energy Resources (DER), and that within the DER alternatives there will be significant support for utility scale solar Photovoltaics (PV). Suffolk County supports the proliferation of solar PV projects, both in the form of site specific facility upgrades and for appropriately located utility scale projects. In fact, the Suffolk County Planning Commission has been coordinating an effort with PSEG LI and local municipalities to facilitate a uniform standard for such projects across multiple municipal jurisdictions.

Suffolk County's experience with recent utility scale solar PV (USPV) projects is that they are subject to limits related to the available capacity of the local electric T&D network. The County recognizes that this is not a condition unique to Long Island. In addition, apart from carport installations at properties owned by Suffolk County, it appears that the proposed preferred locations of USPV projects include many wooded/vegetated lots, some in close proximity to residential communities.

In addition to diversifying the pool of energy supplied to our region, and the promise of stable pricing not subject to fossil fuel commodity price volatility, USPV projects also offer potential environmental benefits relating to reduced emissions related to power production. In order to better inform the public, which has not been universally receptive to such projects, Suffolk County recommends that proposed utility scale DER projects include certain "standard information" that would, on an easily comparable basis, quantify and/or illustrate (when empirical data is not available) the potential regional benefits and other "impacts." Benefits should include, but not be limited to, price stability, emissions reductions (i.e. carbon, other), and other potential attributes.

As a partner in support of ongoing efforts relating to utility scale solar PV projects, Suffolk County recommends the following be included in the ongoing dialogue relating to the emerging REV marketplace.

Projects should also be required to demonstrate "impacts" that may not be obvious to the average citizen (i.e. will the project contribute to the Heat Island Effect?).

a. Heat Island Effect

The Heat Island Effect is a widely recognized influence on local/regional climate conditions, particularly within and near urban areas. According to the Environmental Protection Agency (EPA), "Higher temperatures in summer increase energy demand for cooling and add pressure to the electricity grid during peak periods of demand. One study estimates that the heat island effect is responsible for 5–10% of peak electricity demand for cooling buildings in cities." http://www.epa.gov/heatisland/about/index.htm

Heat Island Effect is also recognized by the US Green Building Council (USGBC) and is accounted for in potential point accumulation (for both roof and non-roof areas) for "LEED New Construction and Major Renovation" projects. Since erecting a large black surface (i.e. utility scale solar PV) over many acres of a formerly vegetated property is likely to raise ambient temperatures in the vicinity of the project, it is not unreasonable to assess the projects potential contribution to the Heat Island Effect of the local area.

In relation to development of REV related DER, and to foster public awareness in anticipation of continued solicitations by PSEG LI for more utility scale solar PV projects, Suffolk County herein requests that projects developed in the LIPA Service Territory (and elsewhere under REV) include the following criteria:

b. Carbon Emission & Heat Island Effect

1. Absent state level funding in support of REV related utility scale DER, LIPA/PSEG LI should fund a collaboratively derived "standard formula" that would net out the carbon already captured in existing vegetation, and the carbon likely to be absorbed over the rated lifetime of the proposed project, from the projected avoided carbon emissions attributable to the proposed project.

    i. The National Renewable Energy Laboratory (NREL) published several studies related to the need for increased fossil fueled electric generation reserves related to a build-up of renewable electric generation platforms.
    ii. The net carbon footprint should include an analysis by PSEG LI of the real-time dispatch emissions associated with the required reserve fossil fuel generation capacity associated with existing USPV projects that could form the basis for what would be required in relation to development of proposed

projects. That projection may be performed on a bundled set of projects in the final selection phase of a PSEG LI issued Request for Proposals (RFPs).

2. Individual USPV projects proposed for "vegetated" lands (i.e. trees, brush, grass, agriculture, and/or natural vegetation) must demonstrate the net carbon benefit of the proposed project by employing the "standard formula."
3. Utility scale solar PV (USPV) projects that are built on parking lots in commercial and industrial areas shall be given preference over projects that are built on vegetated lands and/or in or "near" residential communities. (See the County's comments relating to AMI, below.)
4. USPV projects should be encouraged in high electric load areas (i.e. shopping malls and industrial parks) where the electricity generated would be synchronized with the electric grid and then flow on a watt per watt basis toward the end use load as a first priority and then back to the main electric grid when end use loads are satisfied. This would result in:
    i. reduced line-loss from the point of generation to the point of use,
    ii. reduced capacity pressure on electric grid circuits, and
    iii. a reduction in the "renewable" premium on the rate base.
5. USPVs located in close proximity to consumer load will be given preference over projects that consume available capacity on more remote project locations, especially where that excess capacity could be preserved for residential and commercial solar PV systems (i.e. site specific).
6. USPV projects that would increase the Heat Island Effect of the community/region where the project is developed will not be considered.
    i. It must be noted that since an increase in the Heat Island Effect would likely result in an increase in cooling load for adjacent/near-by properties, even if the ambient temperature increase were netted out on a regional basis, there would still be an unfair economic burden related to an increased cooling load incurred by the local community.
7. LIPA/PSEG LI should fund a solicitation, in cooperation with local municipalities, to establish one-time engineering specifications for a "universal" carport that would be adopted as a basic standard by all municipal jurisdictions across the LIPA service territory.
    i. USPVs developed as carports that do not adopt the "universal" platform must compete against the reduced capital costs afforded subscribers of the "universal" platform.

XI. Advanced Metering Infrastructure (AMI)

PSEG LI proposes to embark on a "… deployment of an Advanced Metering Infrastructure (AMI) communications network and 210,378 AMI meters through 2018 … requiring investment of $40.1 million and generating an 11.2 percent IRR and NPV of $25.9 million." (See, June 24, 2015 Transcripts, pg. 1394). Suffolk County observes that once deployed, the potential benefits of AMI technology may face the greatest limitations from the imaginative ways it might be harnessed. For instance, Suffolk County notes that of the many potential benefits that may be afforded by deployment of AMI technology, PSEG LI has not expressed an intention to employ the technology as a vehicle to provide measurement and verification services that could benefit both the service provider and the end use customer. To that end, Suffolk County recommends that PSEG LI use the technology to document the success of energy efficiency and demand-side management programs and as a tool to measure building performance for the purpose of awarding performance incentives for facilities that maintain the operating integrity of ratepayer funded energy upgrades.

Suffolk County suggests that AMI meters could be employed by facility managers as "virtual" building management systems (BMS) if PSEG LI provides real-time/anytime web access to the data, especially for customers who are either unable or unwilling to invest in more expensive BMS technology. In addition, the individual account data collected by AMI meters could be bundled within and across critical T&D circuits to better identify and manage system congestion, and REV related alternatives that might avert and/or mitigate required system upgrades. Suffolk County observes that this could provide significant value for potential DER projects if the gathered load data were illustrated in a Global Positioning System (GPS) that could help to target shopping malls and commercial/industrial areas with parking areas that could host utility scale solar PV (USPV) projects.

XII. The County Opposes the Proposed Change in Calculating the Gross Receipts Tax

Suffolk County is opposed to the proposed change in calculating the Gross Receipts Tax on electric bills and joins with DPS Staff in its reasoning. (See, June 24, 2015 Transcript, pg. 1233; DPS Staff Rates Panel).

XIII. The County Opposes the Proposed Revenue Decoupling Mechanism

Suffolk County is opposed to a Revenue Decoupling Mechanism that does not include measurement and verification (M&V) of energy use and does not demand reductions attributed to Energy Efficiency (EE) programs. Measurement and verification is an important aspect of monitoring the effectiveness of energy saving projects. We recommend that a number of projects be randomly chosen to monitor their effectiveness. The appropriate sample size should be based on available statistical sampling formulas that would allow us to be 95% confident that the bound of error in calculated energy savings is no more than a certain percent (perhaps 10%) of project costs. The County recommends that PSEG LI implement an M&V protocol for ratepayer funded projects based on the guidelines established within the International Performance Measurement & Verification Protocol (Options A through D). Sample size should vary by the size of the project. For instance, subject to calculated sample size based on the statistical criteria stated above, as a component of its post-inspection process for installed Energy Efficiency projects, PSEG LI should be required to apply the M&V protocol to a sample of at least 2% of projects receiving a rebate/incentive of at least $50,000, 10% of projects receiving a rebate/incentive of at least $100,000, and all projects that have been implemented in conjunction with a ratepayer funded Investment Grade Audit. Results of the sample analysis should be used to "true-up" savings projections used in both Revenue Decoupling charges and gains claimed for implementation of Energy Efficiency programs. Also, implementing an M&V protocol would assist PSEG LI and DPS in better evaluating which projects are most effective, and which EE programs may need to be enhanced or eliminated. (See, DPS Staff Rates Panel; June 24, 2015 Transcript, pg. 1232).

XIV. Low Income Customer Charges Should be Resolved as a Component of More Comprehensive Ratemaking in the REV Track 2 Proceedings

In acknowledgement of the enduring hardships experienced by low-income constituents that have been exacerbated during the prolonged economic recovery within our region, Suffolk County agrees with the proposed discount to low income customers by PSEG LI and encourages a compromise in ratemaking to facilitate that effort while mitigating the impact on the remaining rate-base. Suffolk County observes that DPS Staff "… recommend(s) no change in the customer charge for low-income customers consistent with the recommendation to maintain the standard customer charge." (See, June 24, 2015 Transcript, pg. 1213). Suffolk County opines that this matter is of significant importance and should be resolved as a component of more comprehensive ratemaking in the REV Track 2 proceedings.

XV. Payments in Lieu of Taxes (PILOTS) is Misleading

According to the Direct Testimony of Mr. Thomas Falcone, CFO, LIPA, "Taxes and PILOT payments are approximately 15 percent of our customers' bills, compared to a more typical 4-6 percent for other public power authorities around the country and a weighted average of 10.4 percent for investor-owned utilities in New York (see Table 1). The New York State weighted average is heavily influenced by Consolidated Edison ("ConEd"), where the tax burden is most similar to Long Island at 13.6% of the customer bill. Excluding ConEd, taxes for the other major electric utilities in New York range from 4.5 percent to 9.3 percent with a weighted average of 5.8 percent. That extra burden of 5-10 percent of the customer bill for tax and PILOT payments is a hidden cost to our customers that raises electric rates." (See, Jun 23, 2015 Transcript, pg. 178-179).

Suffolk County observes that the NYC portion of the total Con Edison service territory typically benefits from lower property tax level because the City of New York applies an income tax. The County notes, however, that Mr. Falcone excludes income tax in his "Table 1: Non-Income Taxes for Major New York Electric Utilities." (See, June 23, 2015 Transcript, pg. 180). This omission creates a misleading impression of LIPA's tax burden in comparison to Con Edison.

XVI. Delivery Service Adjustment (DSA) Should be Capped at the Lesser of the Two Recommended Levels

Suffolk County recommends the DSA "storm reserve" be capped at the lesser of the two recommended levels (DPS proposes a cap at 1.5 times the expense amount included in base delivery rates each year; and PSEG LI proposed $75 million annual cap). **(**See, June 23, 2015 Transcript, pg. 759, 781).

Suffolk County supports that an evaluation of the annual cap occur at or near the end of each tracking period to capture enough actual storm activity through each period, however, the County notes that in addition to debt service, storm response, and power supply agreement adjustments that will be included in the DSA, DPS Staff also suggests that the DSA "… would allow adjustments to capital expenditures, and the proposed DER Rider would allow for adjustments if DER measures are utilized for the projects." (See, June 24, 2015 Transcripts, pg. 1505). The County notes that the year after nature of the proposed DSA could result in a customer charge that may not align with "current" energy commodity market prices and consequently, result in mixed price signals for consumers. PSEG LI states that "Allowing Staff 30 days to review the annual filing should not represent an unreasonable burden on Staff, because it will also be receiving and monitoring the balances in the DSA accounts on a monthly basis …" (See, June 23, 2015 Transcript, pg. 228). Should the proposed DSA be adopted, Suffolk County

recommends that more intimate adjustments to the charge (i.e. monthly, quarterly, or semiannually) would better align the charge with market prices, and reduce costs associated with delayed recovery of legitimate costs.

Conclusion

In light of the foregoing, the Commission should reject PSEG LI's Petition seeking a three-year rate plan. For the reasons articulated herein, to approve the petition, in the absence of the necessary revisions and considerations, would permit PSEG LI to potentially adversely and unnecessarily impact ratepayers.

Dated: July 21, 2015
Hauppauge, New York

Respectfully submitted,

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EXHIBIT 1

PSEGLI- Service Classification No. 1 - Residential General - Rate 180

Actual Bill Data	Non-Summer Seasons (Oct-May) 12/28/2013				Peak Summer Season (Jun 1-Sep 30) 8/29/2013			
Delivery & System Charges	Factor	Use		$	Factor	Use		$
Basic Service								
Estimated or Actual			E				E	
# Days	$ 0.36	31		$ 11.16	$ 0.36	32		$ 11.52
1st 250 kWh	0.0857	258	kWh	$ 22.11	0.0857	267	kWh	$ 22.88
Excess 250 kWh	0.0787	612.0	kWh	$ 48.16	0.0975	762	kWh	$ 74.30
Subtotal				**$ 81.44**				**$ 108.70**
Power Supply Charge	$ 0.0860670	870	kWh	**$ 74.88**	$ 0.0916520	1,029	kWh	**$ 94.31**
Efficiency & Renewable ($/kWh)	$ 0.0062460	870	kWh	**$ 5.43**	$ 0.0062460	1,029	kWh	**$ 6.43**
Other Charges								
New York State Assessment				$ 1.97				$ 2.55
Revenue-Based PILOTS				$ 3.59				$ 4.51
Suffolk Property Tax Adjustment				$ 3.34				$ 4.32
Sales Tax @ 2.5%				$ 4.27				$ 5.52
Subtotal				**$ 13.17**				**$ 16.90**
Total Charges				**$ 174.92**				**$ 226.33**

Actual Bill Data	Non-Summer Seasons (Oct-May) 12/29/2014				Peak Summer Season (Jun 1-Sep 30) 7/30/2014			
Delivery & System Charges	Factor	Use		$	Factor	Use		$
Basic Service								
Estimated or Actual			E				A	
# Days	$ 0.36	34		$ 12.24	$ 0.36	34		$ 12.24
1st 250 kWh	0.0904	283	kWh	$ 25.58	0.0904	283	kWh	$ 25.58
Excess 250 kWh	0.0834	651.0	kWh	$ 54.29	0.1022	1,049	kWh	$ 107.21
Subtotal				**$ 92.12**				**$ 145.03**
Power Supply Charge	$ 0.1050280	934	kWh	**$ 98.10**	$ 0.0850510	1,332	kWh	**$ 113.29**
Efficiency & Renewable ($/kWh)	$ 0.0032010	934	kWh	**$ 2.99**	$ 0.0032010	1,332	kWh	**$ 4.26**
Other Charges								
New York State Assessment				$ 1.97				$ 2.68
Revenue-Based PILOTS				$ 2.53				$ 3.65
Suffolk Property Tax Adjustment				$ 3.99				$ 5.42
Sales Tax @ 2.5%				$ 5.04				$ 6.86
Subtotal				**$ 13.53**				**$ 18.61**
Total Charges				**$ 206.73**				**$ 281.19**

BRO Formula Check	Non-Summer Seasons (Oct-May) 12/28/2013					Peak Summer Season (Jun 1-Sep 30) 8/29/2013				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service										
Estimated or Actual			E					E		
# Days	$0.36	31		$11.16		$0.36	32		$11.52	
1st 250 kWh	$ 0.08570	258	kWh	$ 22.11		$ 0.08570	267	kWh	$ 22.88	
Excess 250 kWh	$ *0.07870*	612	kWh	$ 48.16		$ 0.09750	762	kWh	$ 74.30	
Subtotal				**$ 81.44**					**$ 108.70**	
Power Supply Charge	$ 0.0860670	870	kWh	**$ 74.88**		$ 0.0916520	1,029	kWh	**$ 94.31**	
Efficiency & Renewable ($/kWh)	$ 0.0062460	870	kWh	**$ 5.43**		$ 0.0062460	1,029	kWh	**$ 6.43**	
Other Charges										
New York State Assessment				$ 1.97					$ 2.55	
Revenue-Based PILOTS				$ 3.59	$ (0.00)				$ 4.52	$ 0.01
Rev Tax Factors										
Commodity				*$ 0.71*					*$ 0.98*	
Delivery				*$ 2.87*					*$ 3.54*	
Suffolk Property Tax Adjustment				$ 3.34					$ 4.32	
Sales Tax @ 2.5%				$ 4.27					$ 5.52	
Subtotal				**$ 13.16**					**$ 16.91**	
Avg Cost per kWh ($)	$ 0.20					$ 0.22				
Total Charges				**$ 174.91**	$ (0.01)				**$ 226.35**	$ 0.01

BRO Formula Check	Non-Summer Seasons (Oct-May) 12/29/2014					Peak Summer Season (Jun 1-Sep 30) 7/30/2014				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service										
Estimated or Actual			E					A		
# Days	$0.36	34		$12.24		$0.36	34		$12.24	
1st 250 kWh	$ 0.09040	283	kWh	$ 25.58		$ 0.09040	283	kWh	$ 25.58	
Excess 250 kWh	$ 0.08340	651	kWh	$ 54.29		$ 0.10220	1,049	kWh	$ 107.21	
Subtotal				**$ 92.12**					**$ 145.03**	
Power Supply Charge	$ 0.1050280	934	kWh	**$ 98.10**		$ 0.0850510	1,332	kWh	**$ 113.29**	
Efficiency & Renewable ($/kWh)	$ 0.0032010	934	kWh	**$ 2.99**		$ 0.0032010	1,332	kWh	**$ 4.26**	
Other Charges										
New York State Assessment				$ 1.97					$ 2.68	
Revenue-Based PILOTS				$ 2.52	$ (0.01)				$ 3.66	$ 0.01
Rev Tax Factors										
Commodity				*$ 0.13*					*$ 0.17*	
Delivery				*$ 2.39*					*$ 3.49*	
Suffolk Property Tax Adjustment				$ 3.99					$ 5.42	
Sales Tax @ 2.5%				$ 5.04					$ 6.86	
Subtotal				**$ 13.53**					**$ 18.62**	
Avg Cost per kWh ($)	$ 0.22					$ 0.21				
Total Charges				**$ 206.73**	$ (0.00)				**$ 281.20**	$ 0.01

BRO Bill Change Illustration (Year-over-Year)	Non-Summer Seasons (Oct-May) 12/28/2013 @ 2014 Rates					Peak Summer Season (Jun 1-Sep 30) 8/29/2013 @ 2014 Rates				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service										
Estimated or Actual			E					E		
# Days	$0.36	31		$11.16		$0.36	32		$11.52	
1st 250 kWh	$ 0.09040	258	kWh	$ 23.32		$ 0.09040	267	kWh	$ 24.14	
Excess 250 kWh	$ 0.08340	612	kWh	$ 51.04		$ 0.10220	762	kWh	$ 77.88	
Delivery Adjustment Charge										
Subtotal				**$ 85.52**					**$ 113.53**	
Delivery Charges: 2014 Adjustment - 2013 Actual				$ 4.09	5.0%				$ 4.84	4.4%
Power Supply Charge	$ 0.0860670	870	kWh	**$ 74.88**		$ 0.0916520	1,029	kWh	**$ 94.31**	
Efficiency & Renewable ($/kWh)	$ 0.0032010	870	kWh	**$ 2.78**		$ 0.0032010	1,029	kWh	**$ 3.29**	
Other Charges										
New York State Assessment				$ 1.67					$ 2.15	
Revenue-Based PILOTS				$ 2.32					$ 2.87	
Rev Tax Factors										
Commodity				*$ 0.10*					*$ 0.14*	
Delivery				*$ 2.22*					*$ 2.73*	
Suffolk Property Tax Adjustment				$ 3.37					$ 4.36	
Sales Tax @ 2.5%				$ 4.26					$ 5.51	
Subtotal				**$ 11.62**					**$ 14.90**	
Other Charges: 2014 Adjustment - 2013 Actual				$ (1.54)	-11.7%				$ (2.01)	-11.9%
Total Charges				**$ 174.81**					**$ 226.04**	
Avg Cost per kWh ($)	$ 0.20					$ 0.22				
Total Bill Change (2014 Adj - 2013 Act)				$ (0.10)	-0.1%				$ (0.31)	-0.1%

BRO Bill Change Illustration (Year-over-Year)	Non-Summer Seasons (Oct-May) 12/29/2014 @ 2015 Rates					Peak Summer Season (Jun 1-Sep 30) 7/30/2014 @ 2015 Rates				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service										
Estimated or Actual			E					A		
# Days	$0.36	34		$12.24		$0.36	34		$12.24	
1st 250 kWh	$ 0.09220	283	kWh	$ 26.09		$ 0.09220	283	kWh	$ 26.09	
Excess 250 kWh	$ 0.08520	651	kWh	$ 55.47		$ 0.10400	1,049	kWh	$ 109.10	
Delivery Adjustment Charge										
Subtotal				**$ 93.80**					**$ 147.43**	
Delivery Charges: 2014 Adjustment - 2013 Actual				$ 1.68	1.8%				$ 2.40	1.7%
Power Supply Charge	$ 0.1050280	934	kWh	**$ 98.10**		$ 0.0850510	1,332	kWh	**$ 113.29**	
Efficiency & Renewable ($/kWh)	$ 0.0022330	934	kWh	**$ 2.09**		$ 0.0022330	1,332	kWh	**$ 2.97**	
Other Charges										
New York State Assessment				$ 1.98					$ 2.69	
Revenue-Based PILOTS				$ 5.15					$ 7.72	
Rev Tax Factors										
Commodity				*$ 0.27*					*$ 0.34*	
Delivery				*$ 4.89*					*$ 7.38*	
Suffolk Property Tax Adjustment				$ 4.00					$ 5.44	
Sales Tax @ 2.5%				$ 5.13					$ 6.99	
Subtotal				**$ 16.27**					**$ 22.85**	
Other Charges: 2014 Adjustment - 2013 Actual				$ 2.74	20.2%				$ 4.23	22.7%
Total Charges				**$ 210.25**					**$ 286.54**	
Avg Cost per kWh ($)	$ 0.23					$ 0.22				
Total Bill Change (2014 Adj - 2013 Act)				$ 3.52	1.7%				$ 5.33	1.9%

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.

BRO Bill Change Illustration (Year-over-Year)	Non-Summer Seasons (Oct-May) 12/29/2014 @ 2016 Rates					Peak Summer Season (Jun 1-Sep 30) 7/30/2014 @ 2016 Rates				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service										
Estimated or Actual			E					A		
# Days	$0.50	34		$17.00		$0.50	34	A	$17.00	
1st 250 kWh	$ 0.09220	283	kWh	$ 26.09		$ 0.09220	283	kWh	$ 26.09	
Excess 250 kWh	$ 0.09220	651	kWh	$ 60.02		$ 0.09220	1,049	kWh	$ 96.72	
Subtotal				**$ 103.11**					**$ 139.81**	
Delivery Charges: 2014 Adjustment - 2013 Actual				$ 11.00	11.9%				$ (5.22)	-3.6%
Power Supply Charge	$ 0.1050280	934	kWh	**$ 98.10**		$ 0.0850510	1,332	kWh	**$ 113.29**	
Efficiency & Renewable ($/kWh)	$ 0.0026140	934	kWh	**$ 2.44**		$ 0.0026140	1,332	kWh	**$ 3.48**	
Other Charges										
New York State Assessment				$ 1.41					$ 1.78	
Revenue-Based PILOTS				$ 5.65					$ 7.36	
Rev Tax Factors										
Commodity				*$ 0.27*					*$ 0.34*	
Delivery				*$ 5.38*					*$ 7.02*	
Suffolk Property Tax Adjustment				$ 4.20					$ 5.30	
Sales Tax @ 2.5%				$ 5.37					$ 6.78	
Subtotal				**$ 16.64**					**$ 21.21**	
Other Charges: 2014 Adjustment - 2013 Actual				$ 3.11	23.0%				$ 2.59	13.9%
Total Charges				**$ 220.29**					**$ 277.79**	
Avg Cost per kWh ($)	$ 0.24					$ 0.21				
Total Bill Change (2014 Adj - 2013 Act)				$ 13.56	6.6%				$ (3.41)	-1.2%

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.

BRO Bill Change Illustration (Year-over-Year)	Non-Summer Seasons (Oct-May) 12/29/2014 @ 2017 Rates					Peak Summer Season (Jun 1-Sep 30) 7/30/2014 @ 2017 Rates				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service										
Estimated or Actual			E					A		
# Days	$0.58	34		$19.72		$0.58	34	A	$19.72	
1st 250 kWh	$ 0.09330	283	kWh	$ 26.40		$ 0.09330	283	kWh	$ 26.40	
Excess 250 kWh	$ 0.09330	651	kWh	$ 60.74		$ 0.09330	1,049	kWh	$ 97.87	
Subtotal				**$ 106.86**					**$ 144.00**	
Delivery Charges: 2014 Adjustment - 2013 Actual				$ 14.75	16.0%				$ (1.04)	-0.7%
Power Supply Charge	$ 0.1050280	934	kWh	**$ 98.10**		$ 0.0850510	1,332	kWh	**$ 113.29**	
Efficiency & Renewable ($/kWh)	$ 0.0026140	934	kWh	**$ 2.44**		$ 0.0026140	1,332	kWh	**$ 3.48**	
Other Charges										
New York State Assessment				$ 1.64					$ 1.81	
Revenue-Based PILOTS				$ 5.84					$ 7.58	
Rev Tax Factors										
Commodity				*$ 0.27*					*$ 0.34*	
Delivery				*$ 5.57*					*$ 7.24*	
Suffolk Property Tax Adjustment				$ 4.28					$ 5.38	
Sales Tax @ 2.5%				$ 5.47					$ 6.89	
Subtotal				**$ 17.04**					**$ 21.66**	
Other Charges: 2014 Adjustment - 2013 Actual				$ 3.51	25.9%				$ 3.04	16.3%
Total Charges				**$ 224.44**					**$ 282.42**	
Avg Cost per kWh ($)	$ 0.26					$ 0.21				
Total Bill Change (2014 Adj - 2013 Act)				$ 17.71	8.6%				$ 1.22	0.4%

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.

BRO Bill Change Illustration (Year-over-Year)	Non-Summer Seasons (Oct-May) 12/29/2014 @ 2018 Rates					Peak Summer Season (Jun 1-Sep 30) 7/30/2014 @ 2018 Rates				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service										
Estimated or Actual			E					A		
# Days	$0.66	34		$22.44		$0.66	34	A	$22.44	
1st 250 kWh	$ 0.09440	283	kWh	$ 26.72		$ 0.09440	283	kWh	$ 26.72	
Excess 250 kWh	$ 0.09440	651	kWh	$ 61.45		$ 0.09440	1,049	kWh	$ 99.03	
Subtotal				**$ 110.61**					**$ 148.18**	
Delivery Charges: 2014 Adjustment - 2013 Actual				$ 18.49	20.1%				$ 3.15	2.2%
Power Supply Charge	$ 0.1050280	934	kWh	**$ 98.10**		$ 0.0850510	1,332	kWh	**$ 113.29**	
Efficiency & Renewable ($/kWh)	$ 0.0026140	934	kWh	**$ 2.44**		$ 0.0026140	1,332	kWh	**$ 3.48**	
Other Charges										
New York State Assessment				$ 1.47					$ 1.84	
Revenue-Based PILOTS				$ 6.03					$ 7.79	
Rev Tax Factors										
Commodity				*$ 0.27*					*$ 0.34*	
Delivery				*$ 5.77*					*$ 7.45*	
Suffolk Property Tax Adjustment				$ 4.36					$ 5.47	
Sales Tax @ 2.5%				$ 5.58					$ 7.00	
Subtotal				**$ 17.43**					**$ 22.10**	
Other Charges: 2014 Adjustment - 2013 Actual				$ 3.91	28.9%				$ 3.48	18.7%
Total Charges				**$ 228.58**					**$ 287.05**	
Avg Cost per kWh ($)	$ 0.24					$ 0.22				
Total Bill Change (2014 Adj - 2013 Act)				$ 21.85	10.6%				$ 5.85	2.1%

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.

BRO Bill Change Illustration (Year-over-Year $ Change)	Non-Summer Seasons (Oct-May) Nominal Change in Charges Compared to the Prior Year					Peak Summer Season (Jun 1-Sep 30) Nominal Change in Charges Compared to the Prior Year				
Delivery & System Charges	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
	Change in Charges ($)					Change in Charges ($)				
Basic Service										
Estimated or Actual										
Service Charge x # Days	$ -	$0.00	$0.14	$0.08	$0.08	$ -	$0.00	$0.14	$0.08	$0.08
1st 250 kWh	$ 0.00470	$ 0.00180	$ -	$ 0.00110	$ 0.00110	$ 0.00470	$ 0.00180	$ -	$ 0.00110	$ 0.00110
Excess 250 kWh	$ 0.00470	$ 0.00180	$ 0.00700	$ 0.00110	$ 0.00110	$ 0.00470	$ 0.00180	$ (0.01180)	$ 0.00110	$ 0.00110
Delivery Adjustment Charge										
Subtotal	**$ 4.09**	**$ 8.27**	**$ 9.32**	**$ 3.75**	**$ 3.75**	**$ 4.84**	**$ 33.90**	**$ (7.62)**	**$ 4.19**	**$ 4.19**
Power Supply Charge	$ 0.07982	$ 0.01896	$ -	$ -	$ -	$ 0.08541	$ (0.00640)	$ -	$ -	$ -
Efficiency & Renewable ($/kWh)	$ (0.00305)	$ (0.00097)	$ 0.00038	$ -	$ -	$ 0.00320	$ (0.00097)	$ 0.00018	$ -	$ -
Other Charges										
New York State Assessment	$ (0.31)	$ 0.31	$ (0.57)	$ 0.03	$ 0.03	$ (0.40)	$ 0.54	$ (0.91)	$ 0.03	$ 0.03
Revenue-Based PILOTS	$ (1.27)	$ 2.83	$ 0.49	$ 0.19	$ 0.19	$ (1.64)	$ 4.85	$ (0.34)	$ 0.22	$ 0.22
Rev Tax Factors										
Commodity	*$ (0.61)*	*$ 0.16*	*$ (0.00)*	*$ -*	*$ -*	*$ (0.88)*	*$ 0.20*	*$ (0.00)*	*$ -*	*$ -*
Delivery	*$ (0.65)*	*$ 2.67*	*$ 0.49*	*$ 0.19*	*$ 0.19*	*$ (0.81)*	*$ 4.65*	*$ (0.36)*	*$ 0.22*	*$ 0.22*
Suffolk Property Tax Adjustment	$ 0.03	$ 0.64	$ 0.20	$ 0.08	$ 0.08	$ 0.04	$ 1.09	$ (0.15)	$ 0.09	$ 0.09
Sales Tax @ 2.5%	$ (0.03)	$ 0.86	$ 0.24	$ 0.10	$ 0.10	$ (0.03)	$ 1.48	$ (0.21)	$ 0.11	$ 0.11
Subtotal	**$ (1.54)**	**$ 0.86**	**$ 0.24**	**$ 0.10**	**$ 0.10**	**$ (2.01)**	**$ 1.48**	**$ (0.21)**	**$ 0.11**	**$ 0.11**
Total Bill Change ($)	**$ 2.55**	**$ 9.14**	**$ 9.56**	**$ 3.85**	**$ 3.85**	**$ 2.82**	**$ 35.37**	**$ (7.83)**	**$ 4.30**	**$ 4.30**

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.

BRO Bill Change Illustration (Year-over-Year % Change)	Non-Summer Seasons (Oct-May) % Change in Charges Compared to the Prior Year					Peak Summer Season (Jun 1-Sep 30) % Change in Charges Compared to the Prior Year				
Delivery & System Charges	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
	% Change in Charges					% Change in Charges				
Basic Service										
Estimated or Actual										
Service Charge x # Days	0.00%	0.00%	38.89%	16.00%	13.79%	0.00%	0.00%	38.89%	16.00%	13.79%
1st 250 kWh	5.48%	1.99%	0.00%	1.19%	1.18%	5.48%	1.99%	0.00%	1.19%	1.18%
Excess 250 kWh	5.97%	2.16%	8.22%	1.19%	1.18%	4.82%	1.76%	-11.35%	1.19%	1.18%
Delivery Adjustment Charge										
Subtotal	**5.02%**	**9.67%**	**9.93%**	**3.63%**	**3.51%**	**4.45%**	**29.86%**	**-5.17%**	**2.99%**	**2.91%**
Power Supply Charge	0.00%	31.01%	0.00%	0.00%	0.00%	0.00%	20.12%	0.00%	0.00%	0.00%
Efficiency & Renewable ($/kWh)	-48.75%	-25.11%	17.06%	0.00%	0.00%	-48.75%	-9.70%	17.06%	0.00%	0.00%
Other Charges										
New York State Assessment	-15.50%	18.87%	-28.61%	1.84%	1.81%	-15.56%	24.89%	-33.83%	1.63%	1.60%
Revenue-Based PILOTS	-35.27%	121.89%	9.57%	3.46%	3.33%	-36.37%	168.57%	-4.69%	2.95%	2.88%
Rev Tax Factors										
Commodity	*-85.60%*	*158.73%*	*-0.16%*	*0.00%*	*0.00%*	*-85.60%*	*141.20%*	*-0.16%*	0.00%	0.00%
Delivery	*-22.75%*	*120.18%*	*10.10%*	*3.61%*	*3.48%*	*-22.81%*	*169.98%*	*-4.90%*	3.09%	3.00%
Suffolk Property Tax Adjustment	0.89%	18.87%	4.99%	1.84%	1.81%	0.81%	24.89%	-2.70%	1.63%	1.60%
Sales Tax @ 2.5%	-0.06%	20.27%	4.78%	1.88%	1.85%	-0.14%	26.76%	-3.05%	1.67%	1.64%
Subtotal	**-11.73%**	**39.97%**	**2.28%**	**2.40%**	**2.34%**	**-11.90%**	**53.30%**	**-7.15%**	**2.10%**	**2.06%**
Total Bill Change (%)	-7%	50%	12%	6%	6%	-7%	83%	-12%	5%	5%

BRO Bill Change Illustration (Year-over-Year)	Non-Summer Seasons (Oct-May) 12/28/2013 @ 2014 Rates	Peak Summer Season (Jun 1-Sep 30) 8/29/2013 @ 2014 Rates	Non-Summer Seasons (Oct-May) 12/28/2013 @ 2015 Rates	Peak Summer Season (Jun 1-Sep 30) 8/29/2013 @ 2015 Rates	Non-Summer Seasons (Oct-May) 12/28/2013 @ 2016 Rates	Peak Summer Season (Jun 1-Sep 30) 8/29/2013 @ 2016 Rates	Non-Summer Seasons (Oct-May) 12/28/2013 @ 2017 Rates	Peak Summer Season (Jun 1-Sep 30) 8/29/2013 @ 2017 Rates	Non-Summer Seasons (Oct-May) 12/28/2013 @ 2018 Rates	Peak Summer Season (Jun 1-Sep 30) 8/29/2013 @ 2018 Rates

Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ	Factor	Use		$	% Δ	Factor	Use		$	% Δ	Factor	Use		$	% Δ	Factor	Use		$	% Δ	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service																																							
Estimated or Actual			E					E					E					E					E					E					E					E		
# Days	30.36	31		$11.16		30.36	32		$11.52		30.36	32	A	$11.52		30.50	31		$15.50		30.50	32	A	$16.00		$0.58	31		$17.98		30.58	32	A	$18.56		30.66	31		$20.46		30.66	32	A	$21.12	
1st 250 kWh	$0.09040	258	kWh	$ 23.32		$ 0.09040	267	kWh	$ 24.14		$ 0.09220	258	kWh	$ 23.79		$ 0.09220	258	kWh	$ 23.79		$ 0.09220	267	kWh	$ 24.62		$ 0.09330	258	kWh	$ 24.07		$ 0.09330	267	kWh	$ 24.91		$ 0.09040	258	kWh	$ 24.36		$ 0.09040	267	kWh	$ 25.20	
Excess 250 kWh	$0.08340	612	kWh	$ 51.04		$ 0.10220	762	kWh	$ 77.88		$ 0.08520	612	kWh	$ 52.14		$ 0.09220	612	kWh	$ 56.43		$ 0.09220	762	kWh	$ 70.26		$ 0.09330	612	kWh	$ 57.10		$ 0.09330	762	kWh	$ 71.09		$ 0.09040	612	kWh	$ 57.77		$ 0.09040	762	kWh	$ 71.93	
Delivery Adjustment Charge																																							
Subtotal				**$ 85.52**					**$ 113.53**					**$ 87.09**					**$ 115.39**					**$ 110.87**					**$ 99.15**					**$ 114.57**					**$ 102.59**					**$ 118.26**	
Delivery Charges: 2016 Adjustment - 2013 Actual				$ 4.09	5.0%				$ 4.84	4.4%				$ 5.66	6.9%				$ 6.69	6.2%				$ 2.18	2.0%				$ 17.72	21.8%				$ 5.87	5.4%				$ 21.15	26.0%				$ 9.56	8.8%
Power Supply Charge	$ 0.0860670	870	kWh	**$ 74.88**		$ 0.0916520	1,029	kWh	**$ 94.31**		$ 0.0860670	870	kWh	**$ 74.88**		$ 0.0916520	1,029	kWh	**$ 94.31**		0.0860670	870	kWh	**$ 74.88**	17.5%	$ 0.0916520	1,029	kWh	**$ 94.31**		$ 0.0860670	870	kWh	**$ 74.88**		$ 0.0916520	1,029	kWh	**$ 94.31**		$ 0.0860670	870	kWh	**$ 74.88**		$ 0.0916520	1,029	kWh	**$ 94.31**	
Efficiency & Renewable ($/kWh)	$ 0.0032010	870	kWh	**$ 2.78**		$ 0.0032010	1,029	kWh	**$ 3.29**		$ 0.0022330	870	kWh	**$ 1.94**		$ 0.0022330	1,029	kWh	**$ 2.30**		0.0026140	870	kWh	**$ 2.27**		$ 0.0026140	1,029	kWh	**$ 2.69**		$ 0.0026140	870	kWh	**$ 2.27**		$ 0.0026140	1,029	kWh	**$ 2.69**		$ 0.0026140	870	kWh	**$ 2.27**		$ 0.0026140	1,029	kWh	**$ 2.69**	
Other Charges																																							
New York State Assessment				$ 1.67					$ 2.15					$ 1.67					$ 2.16					$ 1.20					$ 1.22					$ 1.47					$ 1.25					$ 1.49	
Revenue-Based PILOTS				$ 2.32					$ 2.87					$ 4.74					$ 6.07					$ 5.20					$ 5.38					$ 6.04					$ 5.55					$ 6.23	
Rev Tax Factors																																							
Commodity				*$ 0.10*					*$ 0.14*					*$ 0.20*					*$ 0.28*					*$ 0.20*					*$ 0.20*					*$ 0.28*					*$ 0.20*					*$ 0.28*	
Delivery				*$ 2.22*					*$ 2.73*					*$ 4.54*					*$ 5.80*					*$ 4.99*					*$ 5.17*					*$ 5.76*					*$ 5.35*					*$ 5.95*	
Suffolk Property Tax Adjustment				$ 3.37					$ 4.36					$ 3.38					$ 4.38					$ 3.57					$ 3.64					$ 4.37					$ 3.71					$ 4.44	
Sales Tax @ 2.5%				$ 4.26					$ 5.51					$ 4.34					$ 5.62					$ 4.57					$ 4.66					$ 5.59					$ 4.76					$ 5.69	
Subtotal				**$ 11.62**					**$ 14.90**					**$ 14.14**					**$ 18.23**					**$ 14.54**					**$ 14.90**					**$ 17.46**					**$ 15.27**					**$ 17.86**	
Other Charges: 2016 Adjustment - 2013 Actual				$ (1.94)	-11.7%				$ (2.01)	-11.9%				$ 0.98	7.4%				$ 1.32	7.8%				$ 1.37	10.4%				$ 0.16	0.9%				$ 0.55	3.3%				$ 2.11	16.0%				$ 0.94	5.6%
Total Charges				**$ 174.81**					**$ 226.04**					**$ 178.05**					**$ 230.22**					**$ 187.40**					**$ 224.95**					**$ 229.03**					**$ 195.01**					**$ 233.12**	
Avg Cost per kWh ($)	$ 0.20					0.22					$ 0.20					0.22					$ 0.22					0.22					$ 0.22					0.22					$ 0.22				
Total Bill Change (2014 Adj - 2013 Act)				$ (0.10)	-0.06%				$ (0.31)	-0.14%				$ 3.14	1.80%				$ 3.88	1.71%				$ 12.49	7.14%				$ (1.40)	-0.62%				$ 16.30	9.32%				$ 2.68	1.18%				$ 20.10	11.49%				$ 6.77	2.99%

BRO Bill Change Illustration (All Years Compared to 2013)	Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.									
	Non-Summer Seasons (Oct-May)					Peak Summer Season (Jun 1-Sep 30)				
	Nominal Change in Charges Compared to the Prior Year					Nominal Change in Charges Compared to the Prior Year				
Delivery & System Charges	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
	Change in Charges ($)					Change in Charges ($)				
Basic Service										
Estimated or Actual										
Service Charge x # Days	$0.00	$0.00	$0.14	$0.22	$0.30	$0.00	$0.00	$0.14	$0.22	$0.30
1st 250 kWh	$0.00470	$0.00650	$0.00650	$0.00760	$0.00870	$0.00470	$0.00650	$0.00650	$0.00760	$0.00870
Excess 250 kWh	$0.00470	$0.00650	$0.01350	$0.01460	$0.01570	$0.00470	$0.00650	($0.00530)	($0.00420)	($0.00310)
Delivery Adjustment Charge										
Subtotal	**$ 4.09**	**$ 5.66**	**$ 14.28**	**$ 17.72**	**$ 21.15**	**$ 4.84**	**$ 6.69**	**$ 2.18**	**$ 5.87**	**$ 9.56**
Power Supply Charge	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficiency & Renewable ($/kWh)	$ (2.65)	$ (3.49)	$ (3.16)	$ (3.16)	$ (3.16)	$ (3.13)	$ (4.13)	$ (3.74)	$ (3.74)	$ (3.74)
Other Charges										
New York State Assessment	$ (0.31)	$ (0.30)	$ (0.77)	$ (0.75)	$ (0.72)	$ (0.40)	$ (0.39)	$ (1.11)	$ (1.08)	$ (1.04)
Revenue-Based PILOTS	$ (1.27)	$ 1.15	$ 1.61	$ 1.79	$ 1.97	$ (1.64)	$ 1.56	$ 1.33	$ 1.52	$ 1.72
Rev Tax Factors										
Commodity	$ (0.61)	$ (0.51)	$ (0.51)	$ (0.51)	$ (0.51)	$ (0.83)	$ (0.70)	$ (0.70)	$ (0.70)	$ (0.70)
Delivery	$ (0.65)	$ 1.66	$ 2.12	$ 2.30	$ 2.48	$ (0.81)	$ 2.25	$ 2.03	$ 2.22	$ 2.41
Suffolk Property Tax Adjustment	$ 0.03	$ 0.04	$ 0.23	$ 0.30	$ 0.37	$ 0.04	$ 0.05	$ (0.03)	$ 0.04	$ 0.12
Sales Tax @ 2.5%	$ (0.00)	$ 0.08	$ 0.30	$ 0.40	$ 0.49	$ (0.01)	$ 0.09	$ (0.03)	$ 0.07	$ 0.17
Subtotal	$ (1.54)	$ 0.98	$ 1.37	$ 1.74	$ 2.11	$ (2.01)	$ 1.32	$ 0.16	$ 0.55	$ 0.94
Total Bill Change ($)	$ 2.55	$ 6.63	$ 15.65	$ 19.46	$ 23.26	$ 2.82	$ 8.00	$ 2.33	$ 6.42	$ 10.50

BRO Bill Change Illustration (All Years Compared to 2013)	Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.									
	Non-Summer Seasons (Oct-May)					Peak Summer Season (Jun 1-Sep 30)				
	% Change in Charges Compared to the Prior Year					% Change in Charges Compared to the Prior Year				
Delivery & System Charges	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
	% Change in Charges					% Change in Charges				
Basic Service										
Estimated or Actual										
Service Charge x # Days	0.00%	0.00%	38.89%	61.11%	83.33%	0.00%	0.00%	38.89%	61.11%	83.33%
1st 250 kWh	5.48%	7.58%	7.58%	8.87%	10.15%	5.48%	7.58%	7.58%	8.87%	10.15%
Excess 250 kWh	5.97%	8.26%	17.15%	18.55%	19.95%	4.82%	6.67%	-5.44%	-4.31%	-3.18%
Delivery Adjustment Charge										
Subtotal	**5.02%**	**6.94%**	**17.53%**	**21.75%**	**25.98%**	**4.45%**	**6.15%**	**2.00%**	**5.40%**	**8.80%**
Power Supply Charge	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Efficiency & Renewable ($/kWh)	-48.75%	-61.62%	-55.07%	-55.07%	-55.07%	-48.75%	-64.25%	-58.13%	-58.13%	-58.13%
Other Charges										
New York State Assessment	-15.50%	-15.12%	-39.13%	-37.92%	-36.71%	-15.56%	-15.22%	-43.47%	-42.46%	-41.48%
Revenue-Based PILOTS	-35.27%	32.17%	44.89%	49.86%	54.82%	-36.37%	34.47%	29.52%	33.75%	37.99%
Rev Tax Factors										
Commodity	*-85.60%*	*-71.35%*	*-71.39%*	*-71.39%*	*-71.39%*	*-85.60%*	*-71.35%*	*-71.39%*	*-71.39%*	*-71.39%*
Delivery	*-22.75%*	*57.93%*	*73.83%*	*80.03%*	*86.23%*	*-22.81%*	*63.60%*	*57.30%*	*62.70%*	*68.10%*
Suffolk Property Tax Adjustment	0.89%	1.14%	6.87%	9.00%	11.12%	0.81%	1.22%	-0.75%	1.02%	2.78%
Sales Tax @ 2.5%	-0.06%	1.80%	7.14%	9.32%	11.49%	-0.14%	1.71%	-0.62%	1.18%	2.99%
Subtotal	-11.73%	7.43%	10.44%	13.21%	15.99%	-11.90%	7.78%	0.93%	3.26%	5.58%
Total Bill Change (%)	-6.70%	14.37%	27.97%	34.97%	41.97%	-7.45%	13.93%	2.94%	8.65%	14.37%
Total Bill Change (%) - from Total Bill Row	-0.06%	1.80%	7.14%	9.32%	11.49%	-0.14%	1.71%	-0.62%	1.18%	2.99%
				Winter Mos Avg	5.94%				Summer Mos Avg	1.03%
				Weighted Avg	**4.30%**					

PSEG Service Classification No. 2-L - General Service - Small (Rate Code: 280)

Actual Bill Data	Non-Summer Seasons (Oct-May) 12/19/2013				Peak Summer Season (Jun 1-Sep 30) 9/23/2013				Non-Summer Seasons (Oct-May) 12/19/2014				Peak Summer Season (Jun 1-Sep 30) 7/30/2014			
Delivery & System Charges	Factor	Use		$	Factor	Use		$	Factor	Use		$	Factor	Use		$
Basic Service																
Estimated or Actual			A				A				A				A	
# Days	$ 0.36	33		$ 11.88	$ 0.36	29		$ 10.44	$ 0.36	30		$ 10.80	$ 0.36	30		$ 10.80
Energy Charge per kWh	$ 0.08630	785	kWh	$ 67.75	$ 0.10520	832	kWh	$ 87.53	$ 0.09100	706	kWh	$ 64.25	$ 0.10990	873	kWh	$ 95.94
Subtotal				$ 79.63				$ 97.97				$ 75.05				$ 106.74
Power Supply Charge	$ 0.0829800	785	kWh	$ 65.14	$ 0.0981400	832	kWh	$ 81.65	$ 0.1016070	706	kWh	$ 71.73	$ 0.0625910	873	kWh	$ 54.64
Efficiency & Renewable ($/kWh)	$ 0.0062460	785	kWh	$ 4.90	$ 0.0062460	832	kWh	$ 5.20	$ 0.0032010	706	kWh	$ 2.26	$ 0.0032010	873	kWh	$ 2.79
Other Charges																
New York State Assessment				$ 1.82				$ 2.25				$ 1.52				$ 1.68
Revenue-Based PILOTS				$ 2.96				$ 3.64				$ 1.75				$ 1.94
Suffolk Property Tax Adjustment				$ 3.09				$ 3.82				$ 3.08				$ 3.39
Sales Tax @ 2.5%	Not Applicable to County Account															
Subtotal				$ 7.87				$ 9.71				$ 6.35				$ 7.01
Total Charges				$ 157.54				$ 194.53				$ 155.39				$ 171.19

BRO Formula Check	Non-Summer Seasons (Oct-May) 12/19/2013					Peak Summer Season (Jun 1-Sep 30) 9/23/2013				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Basic Service										
Estimated or Actual			A					A		
# Days	$0.36	33		$11.88		$0.36	29		$10.44	
Energy Charge per kWh	$ 0.08630	785	kWh	$ 67.75		$ 0.10520	832	kWh	$ 87.53	
Subtotal				$ 79.63					$ 97.97	
Power Supply Charge	$ 0.0829800	785	kWh	$ 65.14		$ 0.0981400	832	kWh	$ 81.65	
Efficiency & Renewable ($/kWh)	$ 0.0062460	785	kWh	$ 4.90		$ 0.0062460	832	kWh	$ 5.20	
Other Charges										
New York State Assessment				$ 1.82					$ 2.25	
Revenue-Based PILOTS				$ 2.96	$ 0.00				$ 3.64	$ (0.00)
Rev Tax Factors										
Commodity				$ 0.62					$ 0.84	
Delivery				$ 2.34					$ 2.80	
Suffolk Property Tax Adjustment				$ 3.09					$ 3.82	
Sales Tax @ 2.5%	Not Applicable to County Account									
Subtotal				$ 7.88					$ 9.71	
Avg Cost per kWh ($)	$ 0.20					0.23				
Total Charges				$ 157.54	$ 0.01				$ 194.52	$ (0.01)

BRO Formula Check	Non-Summer Seasons (Oct-May) 12/19/2014					Peak Summer Season (Jun 1-Sep 30) 7/30/2014				
Delivery & System Charges	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			A					A		
# Days	$0.36	30		$10.80		$0.36	30		$10.80	
Energy Charge per kWh	$ 0.09100	706	kWh	$ 64.25		$ 0.10990	873	kWh	$ 95.94	
Subtotal				$ 75.05					$ 106.74	
Power Supply Charge	$ 0.1016070	706	kWh	$ 71.73		$ 0.0625910	873	kWh	$ 54.64	
Efficiency & Renewable ($/kWh)	$ 0.0032010	706	kWh	$ 2.26		$ 0.0032010	873	kWh	$ 2.79	
New York State Assessment				$ 1.52					$ 1.68	
Revenue-Based PILOTS				$ 1.75	$ 0.00				$ 1.94	$ 0.00
Commodity				$ 0.10					$ 0.09	
Delivery				$ 1.65					$ 1.86	
Suffolk Property Tax Adjustment				$ 3.08					$ 3.39	
Subtotal				$ 6.35					$ 7.01	
Avg Cost per kWh ($)	$ 0.22					0.20				
Total Charges				$ 155.39	$ (0.00)				$ 171.19	$ (0.00)

BRO Bill Change Illustration (Year-over-Year)

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year. (applies to the 2016, 2017 and 2018 rate tables)

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2013 @ 2014 Rates					Peak Summer Season (Jun 1-Sep 30) 9/23/2013 @ 2014 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E					E		
# Days	$0.36	33		$11.88		$0.36	29		$10.44	
Energy Charge per kWh	$ 0.09100	785	kWh	$ 71.44		$ 0.10990	832	kWh	$ 91.44	
Delivery Adjustment Charge										
Subtotal				$ 83.32					$ 101.88	
Delivery Charges: 2014 Adjustment - 2013 Actual				$ 3.69	4.6%				$ 3.91	4.0%
Power Supply Charge	$ 0.0829800	785	kWh	$ 65.14		$ 0.0981400	832	kWh	$ 81.65	
Efficiency & Renewable ($/kWh)	$ 0.0032010	785	kWh	$ 2.51		$ 0.0032010	832	kWh	$ 2.66	
New York State Assessment				$ 1.54					$ 1.90	
Revenue-Based PILOTS				$ 2.34	$ (0.62)				$ 3.04	$ (0.60)
Commodity				$ 0.09					$ 0.12	
Delivery				$ 2.25					$ 2.92	
Suffolk Property Tax Adjustment				$ 3.12					$ 3.84	
Sales Tax @ 2.5%	Not Applicable to County Account									
Subtotal				$ 7.00					$ 8.78	
Other Charges: 2014 Adjustment - 2013 Actual				$ (0.88)	-11.2%				$ (0.92)	-9.5%
Total Charges				$ 157.97	$ 0.42				$ 194.97	$ 0.45
Avg Cost per kWh ($)	$ 0.20					0.23				
Bill Change (2014 Adj - 2013 Act)				$ 0.42	0.3%				$ 0.45	0.2%

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2014 @ 2015 Rates					Peak Summer Season (Jun 1-Sep 30) 7/30/2014 @ 2015 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E					A		
# Days	$0.36	30		$10.80		$0.36	30		$10.80	
Energy Charge per kWh	$ 0.09280	706	kWh	$ 65.52		$ 0.11170	873	kWh	$ 97.51	
Subtotal				$ 76.32					$ 108.31	
Delivery Charges				$ 1.27	1.7%				$ 1.57	1.5%
Power Supply Charge	$ 0.1016070	706	kWh	$ 71.73		$ 0.0625910	873	kWh	$ 54.64	
Efficiency & Renewable ($/kWh)	$ 0.0032010	706	kWh	$ 2.26		$ 0.0032010	873	kWh	$ 2.79	
New York State Assessment				$ 1.53					$ 1.69	
Revenue-Based PILOTS				$ 4.30	$ 2.54				$ 6.34	$ 4.39
Commodity				$ 0.19					$ 0.17	
Delivery				$ 4.10					$ 6.17	
Suffolk Property Tax Adjustment				$ 3.10					$ 3.42	
Subtotal				$ 8.93					$ 11.45	
Other Charges				$ 2.58	40.7%				$ 4.44	63.4%
Total Charges				$ 159.24	$ 3.85				$ 177.20	$ 6.01
Avg Cost per kWh ($)	$ 0.23					0.20				
Bill Change				$ 3.85	2.5%				$ 6.01	3.5%

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2014 @ 2016 Rates					Peak Summer Season (Jun 1-Sep 30) 7/30/2014 @ 2016 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E							
# Days	$0.72	30		$21.60		$0.72	30		$21.60	
Energy Charge per kWh	$ 0.08410	706	kWh	$ 59.37		$ 0.08410	873	kWh	$ 73.42	
Subtotal				$ 80.97					$ 95.02	
Delivery Charges				$ 5.93	7.9%				$ (11.72)	-11.0%
Power Supply Charge	$ 0.1016070	706	kWh	$ 71.73		$ 0.0625910	873	kWh	$ 54.64	
Efficiency & Renewable ($/kWh)	$ 0.0032010	706	kWh	$ 2.26		$ 0.0032010	873	kWh	$ 2.79	
New York State Assessment				$ 1.08					$ 1.06	
Revenue-Based PILOTS				$ 4.53	$ 2.78				$ 5.64	$ 3.70
Commodity				$ 0.19					$ 0.17	
Delivery				$ 4.33					$ 5.47	
Suffolk Property Tax Adjustment				$ 3.20					$ 3.15	
Subtotal				$ 8.80					$ 9.84	
Other Charges				$ 2.46	38.7%				$ 2.84	40.5%
Total Charges				$ 163.77	$ 8.38				$ 162.30	$ (8.89)
Avg Cost per kWh ($)	$ 0.23					0.19				
Bill Change				$ 8.38	5.4%				$ (8.89)	-5.2%

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2014 @ 2017 Rates					Peak Summer Season (Jun 1-Sep 30) 7/30/2014 @ 2017 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E							
# Days	$1.08	30		$32.40		$1.08	30		$32.40	
Energy Charge per kWh	$ 0.06840	706	kWh	$ 48.29		$ 0.06840	873	kWh	$ 59.71	
Subtotal				$ 80.69					$ 92.11	
Delivery Charges				$ 5.64	7.5%				$ (14.63)	-13.7%
Power Supply Charge	$ 0.1016070	706	kWh	$ 71.73		$ 0.0625910	873	kWh	$ 54.64	
Efficiency & Renewable ($/kWh)	$ 0.0032010	706	kWh	$ 2.26		$ 0.0032010	873	kWh	$ 2.79	
New York State Assessment				$ 1.07					$ 1.04	
Revenue-Based PILOTS				$ 4.51	$ 2.76				$ 5.49	$ 3.54
Commodity				$ 0.19					$ 0.17	
Delivery				$ 4.32					$ 5.32	
Suffolk Property Tax Adjustment				$ 3.19					$ 3.09	
Subtotal				$ 8.78					$ 9.61	
Other Charges				$ 2.43	38.3%				$ 2.61	37.2%
Total Charges				$ 163.47	$ 8.08				$ 159.16	$ (12.02)
Avg Cost per kWh ($)	$ 0.23					0.18				
Bill Change				$ 8.08	5.2%				$ (12.02)	-7.0%

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2014 @ 2018 Rates					Peak Summer Season (Jun 1-Sep 30) 7/30/2014 @ 2018 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E							
# Days	$1.44	30		$43.20		$1.44	30		$43.20	
Energy Charge per kWh	$ 0.05250	706	kWh	$ 37.07		$ 0.05250	873	kWh	$ 45.83	
Subtotal				$ 80.27					$ 89.03	
Delivery Charges				$ 5.22	7.0%				$ (17.71)	-16.6%
Power Supply Charge	$ 0.1016070	706	kWh	$ 71.73		$ 0.0625910	873	kWh	$ 54.64	
Efficiency & Renewable ($/kWh)	$ 0.0032010	706	kWh	$ 2.26		$ 0.0032010	873	kWh	$ 2.79	
New York State Assessment				$ 1.07					$ 1.02	
Revenue-Based PILOTS				$ 4.49	$ 2.74				$ 5.33	$ 3.39
Commodity				$ 0.19					$ 0.17	
Delivery				$ 4.30					$ 5.16	
Suffolk Property Tax Adjustment				$ 3.18					$ 3.02	
Subtotal				$ 8.75					$ 9.37	
Other Charges				$ 2.40	37.8%				$ 2.36	33.7%
Total Charges				$ 163.01	$ 7.62				$ 155.84	$ (15.35)
Avg Cost per kWh ($)	$ 0.23					0.18				
Bill Change				$ 7.62	4.9%				$ (15.35)	-9.0%

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.

BRO Bill Change Illustration (Year-over-Year $ Change)	Non-Summer Seasons (Oct-May) Nominal Change in Charges Compared to the Prior Year — Change in Charges ($)					Peak Summer Season (Jun 1-Sep 30) Nominal Change in Charges Compared to the Prior Year — Change in Charges ($)				
Delivery & System Charges	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
Basic Service										
Estimated or Actual										
Service Charge x # Days	$ -	$0.00	$0.36	$0.36	$0.36	$ -	$0.00	$0.36	$0.36	$0.36
Energy Charge per kWh	$ 0.00470	$ 0.00180	$ (0.00870)	$ (0.01570)	$ (0.01590)	$ 0.00470	$ 0.00180	$ (0.02760)	$ (0.01570)	$ (0.01590)
Delivery Adjustment Charge										
Subtotal	$ 3.69	$ (7.00)	$ 4.66	$ (0.28)	$ (0.43)	$ 3.91	$ 6.44	$ (13.29)	$ (2.91)	$ (3.08)
Power Supply Charge	$ 0.07673	$ 0.01863	$ -	$ -	$ -	$ 0.09189	$ (0.03555)	$ -	$ -	$ -
Efficiency & Renewable ($/kWh)	$ (0.00305)	$ -	$ -	$ -	$ -	$ 0.00320	$ -	$ -	$ -	$ -
Other Charges										
New York State Assessment	$ (0.28)	$ (0.01)	$ (0.46)	$ (0.002)	$ (0.003)	$ (0.35)	$ (0.21)	$ (0.63)	$ (0.02)	$ (0.02)
Revenue-Based PILOTS	$ (0.62)	$ 1.95	$ 0.23	$ (0.01)	$ (0.02)	$ (0.60)	$ 3.30	$ (0.70)	$ (0.15)	$ (0.16)
Rev Tax Factors										
Commodity	$ (0.53)	$ 0.11	$ (0.00)	$ -	$ -	$ (0.72)	$ 0.05	$ (0.00)	$ -	$ -
Delivery	$ (0.09)	$ 1.85	$ 0.23	$ (0.01)	$ (0.02)	$ 0.12	$ 3.25	$ (0.70)	$ (0.15)	$ (0.16)
Suffolk Property Tax Adjustment	$ 0.03	$ (0.01)	$ 0.10	$ (0.01)	$ (0.01)	$ 0.03	$ (0.42)	$ (0.27)	$ (0.06)	$ (0.06)
Sales Tax @ 2.5%	Not Applicable to County Account									
Subtotal	$ (0.88)	$ -	$ -	$ -	$ -	$ (0.92)	$ -	$ -	$ -	$ -
Total Bill Change ($)	$ 2.81	$ (7.00)	$ 4.66	$ (0.28)	$ (0.43)	$ 2.99	$ 6.44	$ (13.29)	$ (2.91)	$ (3.08)

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.

BRO Bill Change Illustration (Year-over-Year % Change)	Non-Summer Seasons (Oct-May) % Change in Charges Compared to the Prior Year — % Change in Charges					Peak Summer Season (Jun 1-Sep 30) % Change in Charges Compared to the Prior Year — % Change in Charges				
Delivery & System Charges	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
Basic Service										
Estimated or Actual										
Service Charge x # Days	0.00%	0.00%	100.00%	50.00%	33.33%	0.00%	0.00%	100.00%	50.00%	33.33%
Energy Charge per kWh	5.45%	1.98%	-9.38%	-18.67%	-23.25%	4.47%	1.64%	-24.71%	-18.67%	-23.25%
Delivery Adjustment Charge										
Subtotal	4.63%	-8.40%	6.10%	-0.35%	-0.53%	3.99%	6.32%	-12.27%	-3.06%	-3.34%
Power Supply Charge	0.00%	10.12%	0.00%	0.00%	0.00%	0.00%	-33.08%	0.00%	0.00%	0.00%
Efficiency & Renewable ($/kWh)	-48.75%	-10.06%	0.00%	0.00%	0.00%	-48.75%	4.93%	0.00%	0.00%	0.00%
Other Charges										
New York State Assessment	-15.51%	-0.43%	-29.89%	-0.18%	-0.28%	-15.62%	-10.98%	-37.45%	-1.91%	-2.06%
Revenue-Based PILOTS	-21.00%	83.53%	5.46%	-0.33%	-0.49%	-16.51%	108.56%	-11.03%	-2.67%	-2.91%
Rev Tax Factors										
Commodity	-85.60%	117.40%	-0.16%	0.00%	0.00%	-85.60%	41.42%	-0.16%	0.00%	0.00%
Delivery	-3.80%	82.18%	5.73%	-0.34%	-0.51%	4.16%	111.34%	-11.33%	-2.75%	-3.00%
Suffolk Property Tax Adjustment	0.87%	-0.43%	3.10%	-0.18%	-0.28%	0.75%	-10.98%	-8.02%	-1.91%	-2.06%
Sales Tax @ 2.5%	Not Applicable to County Account									
Subtotal	-11.15%	27.64%	-1.43%	-0.26%	-0.38%	-9.52%	30.37%	-14.04%	-2.34%	-2.55%
Total Bill Change (%)	-7%	19%	5%	-1%	-1%	-6%	37%	-26%	-5%	-6%

BRO Bill Change Illustration (Year-over-Year)

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year. (applies to the 2016, 2017 and 2018 rate tables)

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2013 @ 2014 Rates					Peak Summer Season (Jun 1-Sep 30) 9/23/2013 @ 2014 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E					E		
# Days	$0.36	33		$11.88		$0.36	29		$10.44	
Energy Charge per kWh	$ 0.09100	785	kWh	$ 71.44		$ 0.10990	832	kWh	$ 91.44	
Delivery Adjustment Charge										
Subtotal				$ 83.32					$ 101.88	
Delivery Charges: 2014 Adjustment - 2013 Actual				$ 3.69	4.6%				$ 3.91	4.0%
Power Supply Charge	$ 0.0829800	785	kWh	$ 65.14		$ 0.0981400	832	kWh	$ 81.65	
Efficiency & Renewable ($/kWh)	$ 0.0062460	785	kWh	$ 4.90		$ 0.0062460	832	kWh	$ 5.20	
New York State Assessment				$ 1.57					$ 1.93	
Revenue-Based PILOTS				$ 1.92	$ (1.04)				$ 1.89	$ (1.75)
Commodity				$ 0.09					$ 0.12	
Delivery				$ 1.83					$ 1.77	
Suffolk Property Tax Adjustment				$ 3.17					$ 3.90	
Sales Tax @ 2.5%	Not Applicable to County Account									
Subtotal				$ 6.66					$ 7.71	
Other Charges: 2014 Adjustment - 2013 Actual				$ (1.22)	-15.5%				$ (1.99)	-20.5%
Total Charges				$ 160.01	$ 2.47				$ 196.44	$ 1.92
Avg Cost per kWh ($)	$ 0.20					0.24				
Bill Change (2014 Adj - 2013 Act)				$ 2.47	1.6%				$ 1.92	1.0%

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2013 @ 2015 Rates					Peak Summer Season (Jun 1-Sep 30) 9/23/2013 @ 2015 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E					A		
# Days	$0.36	33		$11.88		$0.36	29		$10.44	
Energy Charge per kWh	$ 0.09280	785	kWh	$ 72.85		$ 0.11170	832	kWh	$ 92.93	
Subtotal				$ 84.73					$ 103.37	
Delivery Charges				$ 5.10	6.4%				$ 5.41	5.5%
Power Supply Charge	$ 0.0829800	785	kWh	$ 65.14		$ 0.0981400	832	kWh	$ 81.65	
Efficiency & Renewable ($/kWh)	$ 0.0062460	785	kWh	$ 4.90		$ 0.0062460	832	kWh	$ 5.20	
New York State Assessment				$ 1.58					$ 1.94	
Revenue-Based PILOTS				$ 4.73	$ 1.77				$ 6.12	$ 2.48
Commodity				$ 0.18					$ 0.24	
Delivery				$ 4.55					$ 5.88	
Suffolk Property Tax Adjustment				$ 3.20					$ 3.93	
Subtotal				$ 9.51					$ 11.99	
Other Charges				$ 1.63	20.7%				$ 2.29	23.6%
Total Charges				$ 164.28	$ 6.73				$ 202.22	$ 7.69
Avg Cost per kWh ($)	$ 0.21					0.24				
Bill Change				$ 6.73	4.3%				$ 7.69	4.0%

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2013 @ 2016 Rates					Peak Summer Season (Jun 1-Sep 30) 9/23/2013 @ 2016 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E							
# Days	$0.72	33		$23.76		$0.72	29		$20.88	
Energy Charge per kWh	$ 0.08410	785	kWh	$ 66.02		$ 0.08410	832	kWh	$ 69.97	
Subtotal				$ 89.78					$ 90.85	
Delivery Charges				$ 10.15	12.8%				$ (7.12)	-7.3%
Power Supply Charge	$ 0.0829800	785	kWh	$ 65.14		$ 0.0981400	832	kWh	$ 81.65	
Efficiency & Renewable ($/kWh)	$ 0.0062460	785	kWh	$ 4.90		$ 0.0062460	832	kWh	$ 5.20	
New York State Assessment				$ 1.11					$ 1.23	
Revenue-Based PILOTS				$ 4.98	$ 2.02				$ 5.46	$ 1.83
Commodity				$ 0.18					$ 0.24	
Delivery				$ 4.81					$ 5.23	
Suffolk Property Tax Adjustment				$ 3.30					$ 3.67	
Subtotal				$ 9.39					$ 10.37	
Other Charges				$ 1.52	19.3%				$ 0.66	6.8%
Total Charges				$ 169.21	$ 11.67				$ 188.07	$ (6.45)
Avg Cost per kWh ($)	$ 0.22					0.23				
Bill Change				$ 11.67	7.4%				$ (6.45)	-3.3%

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2013 @ 2017 Rates					Peak Summer Season (Jun 1-Sep 30) 9/23/2013 @ 2017 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E							
# Days	$1.08	33		$35.64		$1.08	29		$31.32	
Energy Charge per kWh	$ 0.06840	785	kWh	$ 53.69		$ 0.06840	832	kWh	$ 56.91	
Subtotal				$ 89.33					$ 88.23	
Delivery Charges				$ 9.71	12.2%				$ (9.74)	-9.9%
Power Supply Charge	$ 0.0829800	785	kWh	$ 65.14		$ 0.0981400	832	kWh	$ 81.65	
Efficiency & Renewable ($/kWh)	$ 0.0062460	785	kWh	$ 4.90		$ 0.0062460	832	kWh	$ 5.20	
New York State Assessment				$ 1.11					$ 1.22	
Revenue-Based PILOTS				$ 4.96	$ 2.00				$ 5.33	$ 1.69
Commodity				$ 0.18					$ 0.24	
Delivery				$ 4.78					$ 5.09	
Suffolk Property Tax Adjustment				$ 3.29					$ 3.61	
Subtotal				$ 9.36					$ 10.16	
Other Charges				$ 1.48	18.8%				$ 0.45	4.7%
Total Charges				$ 168.73	$ 11.19				$ 185.24	$ (9.29)
Avg Cost per kWh ($)	$ 0.21					0.22				
Bill Change				$ 11.19	7.1%				$ (9.29)	-4.8%

Delivery & System Charges	Non-Summer Seasons (Oct-May) 12/19/2013 @ 2018 Rates					Peak Summer Season (Jun 1-Sep 30) 9/23/2013 @ 2018 Rates				
	Factor	Use		$	% Δ	Factor	Use		$	% Δ
Estimated or Actual			E							
# Days	$1.44	33		$47.52		$1.44	29		$41.76	
Energy Charge per kWh	$ 0.05250	785	kWh	$ 41.21		$ 0.05250	832	kWh	$ 43.68	
Subtotal				$ 88.73					$ 85.44	
Delivery Charges				$ 9.11	11.4%				$ (12.53)	-12.8%
Power Supply Charge	$ 0.0829800	785	kWh	$ 65.14		$ 0.0981400	832	kWh	$ 81.65	
Efficiency & Renewable ($/kWh)	$ 0.0062460	785	kWh	$ 4.90		$ 0.0062460	832	kWh	$ 5.20	
New York State Assessment				$ 1.10					$ 1.20	
Revenue-Based PILOTS				$ 4.93	$ 1.97				$ 5.18	$ 1.55
Commodity				$ 0.18					$ 0.24	
Delivery				$ 4.75					$ 4.94	
Suffolk Property Tax Adjustment				$ 3.28					$ 3.56	
Subtotal				$ 9.31					$ 9.94	
Other Charges				$ 1.43	18.2%				$ 0.23	2.4%
Total Charges				$ 168.09	$ 10.54				$ 182.23	$ (12.30)
Avg Cost per kWh ($)	$ 0.21					0.22				
Bill Change				$ 10.54	6.7%				$ (12.30)	-6.3%

Note: Beginning Jan 1, 2016 there is only one Charge per kWh that is applied all year.

BRO Bill Change Illustration (All Years Compared to 2013)	Non-Summer Seasons (Oct-May) Nominal Change in Charges Compared to the Prior Year — Change in Charges ($)					Peak Summer Season (Jun 1-Sep 30) Nominal Change in Charges Compared to the Prior Year — Change in Charges ($)				
Delivery & System Charges	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018

| | | |

CSS Lawyer Calculation by A.L. Brown/Jones Law Site Code: 28

Date	Time	Hours	Rate	Amount	Description
01/01/2000	00:00	0.0	$ 0.00	$ 0.00	

Item	Unit	Bidder 1			Bidder 2			Bidder 3			Bidder 4			Bidder 5			Bidder 6		
		Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price
Bidder 1 (Total Bid Price: $ 1,000,000.00)																			
Bidder 2 (Total Bid Price: $ 1,000,000.00)																			
Bidder 3 (Total Bid Price: $ 1,000,000.00)																			
Bidder 4 (Total Bid Price: $ 1,000,000.00)																			
Bidder 5 (Total Bid Price: $ 1,000,000.00)																			
Bidder 6 (Total Bid Price: $ 1,000,000.00)																			

Item	Unit	Bidder 7			Bidder 8			Bidder 9			Bidder 10			Bidder 11			Bidder 12		
		Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price
Bidder 7 (Total Bid Price: $ 1,000,000.00)																			
Bidder 8 (Total Bid Price: $ 1,000,000.00)																			
Bidder 9 (Total Bid Price: $ 1,000,000.00)																			
Bidder 10 (Total Bid Price: $ 1,000,000.00)																			
Bidder 11 (Total Bid Price: $ 1,000,000.00)																			
Bidder 12 (Total Bid Price: $ 1,000,000.00)																			

CSS Lawyer Calculation by A.L. Brown/Jones Law Site Code: 28

Date	Time	Hours	Rate	Amount	Description
01/01/2000	00:00	0.0	$ 0.00	$ 0.00	

Item	Unit	Bidder 1			Bidder 2			Bidder 3			Bidder 4			Bidder 5			Bidder 6		
		Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price
Bidder 1 (Total Bid Price: $ 1,000,000.00)																			
Bidder 2 (Total Bid Price: $ 1,000,000.00)																			
Bidder 3 (Total Bid Price: $ 1,000,000.00)																			
Bidder 4 (Total Bid Price: $ 1,000,000.00)																			
Bidder 5 (Total Bid Price: $ 1,000,000.00)																			
Bidder 6 (Total Bid Price: $ 1,000,000.00)																			

Item	Unit	Bidder 7			Bidder 8			Bidder 9			Bidder 10			Bidder 11			Bidder 12		
		Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price	Unit Price	Total Price	Unit Price
Bidder 7 (Total Bid Price: $ 1,000,000.00)																			
Bidder 8 (Total Bid Price: $ 1,000,000.00)																			
Bidder 9 (Total Bid Price: $ 1,000,000.00)																			
Bidder 10 (Total Bid Price: $ 1,000,000.00)																			
Bidder 11 (Total Bid Price: $ 1,000,000.00)																			
Bidder 12 (Total Bid Price: $ 1,000,000.00)																			

EXHIBIT 2

SUFFOLK COUNTY LEGISLATURE

DUWAYNE GREGORY, PRESIDING OFFICER

October 21, 2014

Hon. Kathleen H. Burgess
Secretary, Department of Public Service
Three Empire State Plaza
Albany, NY 12223-1350

Re: Matter Number 14-01299 – PSEG Long Island's Utility 2.0 Plan

Dear Secretary Burgess:

The cost of energy weighs heavily on all sectors of our local economy and the ability of our local economy to compete with other regions. The Suffolk County Legislature supports investment in energy efficiency as the first priority to secure adequate energy supply and regional economic vitality. Indeed, Suffolk County has made aggressive investment in efficiency upgrades to County facilities that have achieved significant reductions in energy use, and those efforts have been supported by steadily improving utility incentive programs. The Legislature welcomes continued utility support for energy efficiency that will both reduce the cumulative cost of energy to ratepayers and secure the long-term viability of our energy supply.

On behalf of the Suffolk County Legislature please see the comments below that reflect some of our observations based on a preliminary review of the PSEG Long Island Utility 2.0 Long Range Plan and updated material.

Suggested Comments for DPS Long Island Re: Utility 2.0

PSEGLI proposes to invest $345 million over a period of four years (2015 through 2018) for the purpose of reducing electric demand growth by 250 megawatts (MW), that investments made under the plan in calendar year 2015 will be deferred until 2016, and that cumulative investments made as part of Utility 2.0 in 2015 will be incremental over existing LIPA/PSEGLI energy efficiency and renewable programs already offered.

1. **Incremental Investment:** Suffolk County observes that appropriately applied utility incentives provide vital assistance in support of energy efficiency and renewable energy projects. Does DPS envision that investment in subsequent years of the Utility 2.0 plan will remain at levels above former utility incentive programs or will Long Island electric ratepayers experience a reduction in ratepayer funded support for these efforts?

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The revised Utility 2.0 plan includes a greater level of investment and is intended to achieve a greater reduction in demand growth than was previously proposed, however, Suffolk County observes no actual measurement and verification to authenticate projected savings.

2. **Advanced Metering Initiative (AMI):** PSEGLI proposes to install 50,000 advanced meters at a cost of approximately $25 million that will provide both the utility and customer's real-time access to meter data and corresponding cost of energy, but it does not take advantage of that same interval data to substantiate claimed gains in energy use and/or demand reductions. Suffolk County suggests that this is a lost opportunity to implement performance based incentives that will both protect ratepayers from projects that fail to deliver the desired benefit (load reduction) and provide an incentive to host facility operators to maintain the operational integrity of ratepayer funded projects.

Moreover, Suffolk County observes that energy commodity markets are often difficult for sophisticated building owners, purchasing agents, business managers, and facility managers to navigate, monitor, and participate in. This represents a significant hurdle to the projected benefits that are expected to result from the AMI initiative because many ratepayers do not have sufficient expertise with which to participate effectively. Suffolk County suggests that this initiative will have a greater return on ratepayer investment if it is primarily employed as a measurement and verification demand side management tool/virtual building management system. While we are not prepared to offer a prescriptive solution the County is of the opinion that in order for the AMI proposal to deliver anticipated ratepayer benefits resulting from sophisticated energy commodity market participation there must be a deliberate training effort for interested parties that is not included in the program description.

3. Suffolk County urges PSEGLI to include funding that would support lower cost interval metering as both a stand-alone measure and as a required component of at least a percentage of "typical" efficiency projects – across the complete range of projects included in the programs available to LIPA ratepayers. The empirical data collected through this initiative should be incorporated into the savings calculations used by PSEGLI to claim program gains.

4. **Energy Audits:** PSEGLI proposed to fund energy audits for commercial customers but fails to stipulate the "level" of audit, except in the efforts targeted for hospitals. Suffolk County observes that the existing inventory of municipal and commercial buildings throughout Long Island typically suffers from systemic failures related to equipment and building controls. Moreover, equipment already installed in existing buildings is frequently inappropriately sized and rarely integrated as often assumed. To the extent that existing systems cannot first be "optimized" and are in need of replacement, and to the extent that those existing systems are "oversized" for a given facility, the return on investment of a ratepayer funded project is enhanced simply by identifying the proper system capacity required because that would likely result in a reduction in the capital cost of replacement equipment.

Suffolk County strongly urges the funding of "investment grade" audits on target facilities of large volume consumers (i.e. commercial, industrial, municipal, hospital/health care) so that a complete and thorough assessment of existing energy and related systems is performed to determine appropriate energy conservation measures (ECMs) are recommended and implemented. To that end, the County contends that building "design" software typically relied on for new construction not be accepted as the primary input for existing building analysis, but rather as a secondary tool to actual field measurements via data loggers and other devices that capture real-time system performance.

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To better protect ratepayer investments, Suffolk County also urges that PSEGLI utilize empirical data (i.e. data-logger technology) to randomly audit the performance of at least ten percent (10%) of all ratepayer funded projects that do not include smart meter or interval meter technologies. Empirical data should then be used to make adjustments in the calculated methodology described in the proposed/revised Utility 2.0 Long Range Plan.

5. **Solar PV for Peak Demand:** Suffolk County supports the development of a robust and market driven solar industry but questions the efficacy of the proposed invest in solar PV systems that face west so as to maximize PV output during peak demand periods. While the County acknowledges that westward facing systems would likely produce more electricity during peak load hours, we also observe that such an installation would sacrifice approximately twenty percent (20%) of rated production output that would be obtainable if installed facing southward.

Suffolk County is concerned that the market penetration of solar PV is insufficient to warrant a 20% loss in ratepayer supported kilowatt hour (kWh) production. Moreover, it is likely that investors in westward facing arrays would seek to recover lost revenue potential attributable to 20% lower production by securing either a higher payment per kWh or with some sort of kilowatt (kW) capacity payment. If such an arrangement were made, we observe the cost/benefit to ratepayers would be less attractive, especially given the limited/reduced flow of electricity into the grid that would likely be available from such PV systems. Based on the information provided, Suffolk County strongly disagrees with the proposal and urges that PSEGLI provide its analysis documenting the anticipated ratepayer benefit and/or make more judicious use of ratepayer dollars to support development of the local solar industry.

6. **PSEGLI Return on Investment:** Suffolk County observes that proposed investments by PSEGLI ("The Manager") for utility scale solar PV and battery storage on the south fork appear to be at the discretion of The Manager and LIPA, but not subject to public bid against other potential developers. The County has several concerns relating to this proposal:

    a. Such investments should only be contemplated when it is demonstrated that they provide an economic and reliability advantage when compared with alternatives.

    b. Project scope should be subject to an open and transparent public process that invites public participation and is subject to local municipal approvals.

    c. Project development should be subject to an open competitive process unless it is adequately demonstrated that The Manager has a unique contribution to make that will enhance public benefit when compared to competitive alternatives.

    d. Any investments made by The Manager be subject to an open and thorough review by the Long Island DPS, who's examination should include:

        i. an open process that invites technical review, comment, and public input

        ii. an assessment of The Manager's unique qualifications that negates competitive bidding

        iii. a detailed assessment of the potential conflicts of interest that might exist for The Manager, given its role as Power Supply Manager for the region, and

iv. Implementation of a regulatory mechanism, subject to public review, to ensure ratepayer benefits and potential conflicts are monitored on an ongoing basis.

The Suffolk County Legislature looks forward to working with PSEG – Long Island on many issues in the future.

Very truly yours,

DuWayne Gregory, Presiding Officer
SUFFOLK COUNTY LEGISLATURE

DG:bpm

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