

LONG ISLAND COMMUNITY CHOICE AGGREGATION ONBOARDING PROCESS¹

I. Purpose

This Onboarding Process summarizes the procedures for onboarding approved municipal Community Choice Aggregation (“CCA”) programs in the Long Island Power Authority (“LIPA”) service territory pursuant to its Tariff for Electric Service (the “Tariff”), as it may be amended, modified or supplemented from time to time. PSEG Long Island, the service provider to LIPA, will operating the CCA Program on behalf of LIPA.

This Onboarding Process is not part of the Tariff. For the avoidance of doubt, in the event of any conflict among or ambiguity between the terms of this Onboarding Process and the Tariff, the Tariff shall prevail. This Onboarding Process is subject to change.

II. Master Implementation Plan and Administrator Authorization

- a. Each prospective CCA Administrator must comply with all New York State Public Service Commission (“PSC”) requirements, as established by PSC orders in Case 14-M-0223, to become an authorized CCA Administrator.
- b. The term “CCA Administrator” refers to either the municipality acting on its own behalf or to a third party acting on behalf of the municipality.
- c. CCA Administrators must comply with all applicable provisions set forth in the Tariff.

III. Municipality Filing and Municipality CCA Program Approval

- a. Authorized CCA Administrators must comply with all requirements of the PSC, as established by PSC orders in Case 14-M-0224, with respect to Municipality Filings and Municipality CCA Program approval.
- b. Municipal Authorization
 - i. Consistent with the PSC Order’s Authorizing Framework for Community Choice Aggregation Opt-Out Program issued on April 21, 2016 in Case 14-M-0224 (“CCA Framework Order”), each municipality intending to implement a CCA program must exercise its Municipal Home Rule Law authority by enacting a local law, after holding a public hearing on notice, giving itself the requisite legal authority to act as an aggregator and broker for the sale of energy and other services to residents.
 - ii. Any inter-municipal agreements may also require additional procedural steps imposed by the General Municipal Law or other applicable statutes.

¹ LIPA and its service provider and agent, PSEG Long Island LLC, reserve the right to change these Onboarding Procedures at any time to be consistent with applicable law.

IV. CCA Program Design and Requirements

a. Eligible Municipal Governments

- i. Consistent with the Tariff and New York State Public Service Law § 74-b (the “Long Island CCA Statute”), the three types of municipalities eligible to form a CCA are: villages, towns, and cities.
 1. Counties will not be eligible to set up a CCA, but county governments may actively encourage and coordinate the municipalities within the county to form an inter-municipal CCA and even work to support that CCA as in an administrative role.
 2. A village board shall be the entity setting up a CCA in any village; a town board shall be the entity setting up a CCA in the area of any town outside of any villages; and a city council shall be the entity setting up a CCA in a city.
- ii. Municipalities may work together, such as through inter-municipal agreements, to operate joint CCA programs. There are no geographic or service territory limits on joint programs, but municipalities should be aware that combining municipalities in multiple utility service territories could result in additional costs or complications.
- iii. A municipality or group of municipalities may work with a non-profit, retain a consultant, or otherwise designate a third party to act as a CCA Administrator and complete some or all of the CCA program tasks.
 1. The municipality remains ultimately responsible for compliance with the law and PSC orders and must ensure that any third parties appropriately protect customer data.

b. Scope of CCA Programs

- i. CCA programs will be permitted to aggregate electric supply.
- ii. CCA programs may aggregate or otherwise integrate, on an opt-in basis, into their program, energy efficiency and distributed energy resources (DERs). In considering how to include a variety of products and energy planning and management activities within the CCA program, CCA Administrators should be open to contracting with different ESCO and DER providers for services. Such program designs should ensure that the costs of custom improvements for individual customers are not charged to other CCA participants.

c. Customer Eligibility

i. Opt-Out Eligibility

1. Consistent with the CCA Framework Order, CCA programs are permitted to enroll eligible customers on an opt-out basis.
2. A customer shall be enrolled on an opt-out basis only if that customer is eligible to participate in the Long Island Choice Program pursuant to the Tariff.

3. Customers who are on Time of Use (“TOU”) Rate Codes, 190, 191, 192, 193, 194, 195, 292, and 294 are prohibited from enrollment.
 4. When a currently eligible CCA customer moves to an ineligible rate code, that customer will be removed from the CCA.
 5. The CCA Administrator may choose to apply opt-out treatment to a more limited class of customers, to only allow certain classes of customers to opt in, or both.
 6. If a customer opts-out of the CCA program, their choice to not participate should be recognized for the life of the program and the responsibility for tracking that choice falls on the CCA Administrator.
 7. Customers that are already taking service from an ESCO or have placed shall not be enrolled on an opt-out basis.
 8. Home Assistance Rate (“HAR”) Customers are not eligible for opt-out enrollment.
- ii. Opt-In Eligibility
1. All customers eligible for the Long Island Choice Program shall be eligible to participate in CCA programs on an opt-in basis, except where the CCA administrator does not choose to allow certain classes of customers to opt-in.
 2. Customers who are on Time of Use (“TOU”) Rate Codes, 190, 191, 192, 193, 194, 195, 292, and 294 are prohibited from enrollment.
 3. Customers that are already taking service from an ESCO shall not be enrolled on an opt-out basis, but may be included on an opt-in basis, subject to the conditions of any existing contracts.
 - a. The CCA Administrator for a CCA that intends to accept opt-in customers is responsible for developing a process consistent with the Uniform Business Practices for Electric Energy Service Companies in the LIPA (“LIPA UBP ESCO”) Service Territory requirements for customer enrollment to accomplish this and may work with the selected ESCO to do so.
 - i. The requirements of Section 5(B)(1) of the LIPA UBP ESCO is suspended for CCA program opt-in enrollments only, consistent with the PSC’s suspension of Section 5(B)(1) of the Uniform Business Practices filed in Case 98-M-1343 in the CCA Framework Order.
 - b. Customers who have previously opted-out of participation are still eligible to opt-in to the program if they choose.
- iii. Newly Eligible Customers
1. The CCA Administrator may determine whether eligible customers who move into a municipality which is participating in a CCA

- should be enrolled on an opt-in or opt-out basis.
- 2. CCA Administrators may request a monthly list from LIPA of new customers in a municipality and may enroll them consistent with current program rules. LIPA will identify why an account is included on the newly eligible list.
- 3. If the CCA Administrator chooses to enroll these customers on an opt-out basis, it must mail them an opt-out letter consistent with current program rules
- iv. HAR customers are not eligible to opt-in.
- v. Outreach and Education Requirements
 - 1. The CCA Administrator must provide information and education to potential CCA members consistent with all PSC orders issued in Case 14-M-0224.
 - 2. Consistent with the CCA Modification Order, CCA Administrators are responsible for informing LIPA of any changes to the following information so LIPA can maintain current information on its CCA webpage: (1) Administrator phone numbers; (2) Administrator websites; (3) links to the DPS CCA webpage and the NYSERDA CCA Toolkit; (4) utility points of contact for Administrators; and (5) a link to the 12-month trailing average data provided on the utility websites.
- vi. Opt-Out Letters and FAQs
 - 1. Once the Municipality Specific Filing is approved, the Administrator is permitted to mail out the opt-out letter and newly eligible letter approved in the filing.
 - 2. As the enrollment dates will vary depending on when the newly eligible letters are mailed, a copy of the approved letter with the dates must be e-filed in DMM and submitted to LIPA and its Service Provider previous to the mailing of them. The newly eligible letter will not need to be approved again, the filing of the letter is to ensure the required 30-day minimum opt-out period has been observed consistent with the CCA Modification Order.
 - 3. All CCA Administrator Opt-Out letters shall be consistent with the requirements of the PSC's orders issued in Case 14-M-0224.
- vii. CCA Data Requirements
 - 1. In order to effectuate CCA programs, CCA Administrators will be provided with three types of data:
 - a. aggregated customer counts and consumption (usage) data to support procurement;
 - b. customer contact information to send opt-out letters; and
 - c. detailed customer information for the purpose of enrolling and serving each customer.
 - 2. The CCA Administrator must execute a Data Security Agreement with LIPA before any data can be shared.
 - 3. Aggregated Customer and Consumption Data

- a. LIPA shall transfer the aggregated customer and usage data within twenty days of a request from the CCA Administrator provided that such CCA Administrator has executed a Data Security Agreement with LIPA.
 - b. This aggregated data shall include all customers eligible for opt-out treatment consistent with the CCA Framework Order.
 - c. This aggregated data shall include the number of customers by service class, the aggregated peak demand (kW) (for electricity) by month for the past 12 months, by service class to the extent possible, and the aggregated energy (in kilowatt hours (kWh)) for electricity by month for the past 12 months by service class consistent with the CCA Framework Order.
 - d. The distribution of meter reads is to be included in the aggregated data set. LIPA will determine the most accurate means by which CCA eligible accounts' meter read dates can be compiled.
 - e. The customer consent requirement has been replaced by municipal consent and the Data Security Agreement ensures that the appropriate handling of such data, including system protection consistent with the PSC orders issued in Case 14-M-0224 and the Long Island CCA Statute.
4. Customer Specific Contact Information
- a. After the CCA Administrator has entered into a CCA contract with an ESCO, LIPA shall transfer the customer-specific data to the CCA Administrator, within five days of a request, to support the mailing of opt-out notices.
 - b. The customer list provided to a municipality and/or Administrator for purposes of the opt-out process must be used for that purpose only. This data shall include all customers in the municipality eligible for opt-out treatment consistent with the CCA Framework Order and based on the terms of the CCA program design.
 - c. The data shall consist of the categories set forth in the Tariff.
 - d. Customer account numbers will not be provided as part of this data set.
 - e. It is the responsibility of the municipality, working with its CCA Administrator, to ensure that the customer list provided by LIPA to begin the opt-out process is, in fact, within the municipality's jurisdiction and that customers not residing within the municipality are not inadvertently enrolled in the CCA Program for which they are not

eligible.

5. Detailed Customer Information

- a. After the opt-out period has ended, the CCA Administrator or ESCO may submit a request to LIPA for further data on the customers who have not opted-out, pursuant to the Tariff, consistent with existing Electronic Data Interchange (EDI) protocols. LIPA shall transfer customer data based on the general standards for transfers of data to ESCOs through EDI, including usage and low-income status.

V. Requests for Proposals and Energy Service Agreements

a. General

- i. Contracts should be procured in a manner consistent with PSC orders issued in Case 14-M-0224.
 - ii. CCA Administrators must adhere to all requirements with respect to CCA RFPs and solicitations established by PSC orders issued in Case 14-M-0224.
 - iii. The terms of the contract between the municipality and the ESCO must comply with generally applicable requirements for ESCO service at the time the contract is entered into.
 - iv. The LIPA UBP ESCO and the Uniform Business Practice for Distributed Energy Resource Suppliers in the LIPA Service Territory, both part of the LIPA Tariff which may be amended, modified or supplemented from time to time, remains applicable to those entities subject to it, including ESCOs offering services through CCA programs, in an unbiased manner, unless otherwise specified herein.
 - v. Consistent with the CCA Framework Order, CCA programs do not have the authority to and shall not impose any costs on the LIPA or non-participant ratepayers
 - vi. Consistent with the CCA Framework Order, if a CCA program ends, each CCA customer must be returned to LIPA supply service, except for customers that affirmatively enter into a new, individual contract with the ESCO that complies with all relevant requirements for ESCO service to individual customers.
 - vii. Consistent with the CCA Framework Order, CCA customers must be given the opportunity to opt-out prior to the beginning of the new contract or the extension period.
 - viii. Consistent with the CCA Framework Order, the ESCO may enroll all customers who have not opted out at the end of the opt-out period.
- b. Termination Fees are permitted subject to limitations consistent with those set forth in the CCA Framework Order. Specifically:
- i. Customers shall be permitted to cancel and return to utility service or service by another ESCO with no cancellation/termination fees or other

charges any time before the end of the third billing cycle after their enrollment.

- ii. Termination charges after the end of the third billing cycle after enrollment are subject to the contract between the municipality and the ESCO and must be consistent with the then-effective provisions of the LIBP UBP ESCO.
- iii. Termination fees shall not be charged to customers cancel their CCA service as a result of moving out of the premises served.

- c. CCA Administrator Fees are permitted consistent with the requirements established in the PSC orders issued in Case 14-M-0224.

VI. **Product and Pricing Requirements** - CCA programs must adhere to all product and pricing requirements established in PSC orders issued in Case 14-M-0224.

VII. **Quarterly and Annual Reporting**

- a. CCA Administrators must comply with all reporting requirements established by the PSC in its orders issued in Case 14-M-0224.

VIII. **Billing Issues, Enforcement Mechanism and Dispute Resolution**

- a. Billing Issues: Upon awareness of a billing issue that impacts 50 or more participants, the CCA Administrator, ESCO, and LIPA must notify each other and the Long Island Office of DPS Staff of the suspected billing issue within 48-hours of awareness. Once resolved, subsequent notification of when and how the issue was resolved shall be provided to DPS Staff.
- b. Enforcement Mechanism: CCA Administrators shall be subject to enforcement action pursuant to the PSC's orders, including but not limited to the CCA Modification Order.
- c. Dispute Resolution: Disputes shall be resolved pursuant to the Tariff.

IX. **LIPA Roles and Responsibilities**

- a. Utility Notification Letters: The letter advising of ESCO enrollment, otherwise known as a switch letter, must clearly indicate that it is for enrollment in the CCA program and include the contact information for the CCA Administrator and the utility customer service representatives, and direct questions and opt-out requests to the CCA or ESCO for handling.
- b. In the event that LIPA determines that it needs to send communications to CCA program participants due to errors, including but not limited to billing errors, the need for customers awareness, or other issues, these communications will be drafted in consultation with DPS Staff.

- c. The CCA Administrator name (not the program name) and the ESCO serving name shall to be provided on the customer bill. Additionally, the contact information provided on the bill shall be for whomever is performing customer service for the municipal program, whether it is the ESCO or the Administrator.