# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF NEW YORK

Proceeding on Motion of the CommissionCase 13-E-0030As to the Rates, Charges, Rules and<br/>Regulations of Consolidated Edison Company<br/>Of New York for Electric ServiceCase 13-E-0031Proceeding on Motion of the CommissionCase 13-G-0031

As to the Rates, Charges, Rules and Regulations of Consolidated Edison Company Of New York for Gas Service

Proceeding on Motion of the CommissionCase 13-S-0032As to the Rates, Charges, Rules andRegulations of Consolidated Edison CompanyOf New York for Steam Service

# POST-HEARING REPLY BRIEF OF PUBLIC UTILITY LAW PROJECT OF NEW YORK, INC.

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Proceeding on Motion of the Commission As to the Rates, Charges, Rules and Regulations of Consolidated Edison Company Of New York for Electric Service	Case 13-E-0030
Proceeding on Motion of the Commission As to the Rates, Charges, Rules and Regulations of Consolidated Edison Company Of New York for Gas Service	Case 13-G-0031
Proceeding on Motion of the Commission As to the Rates, Charges, Rules and Regulations of Consolidated Edison Company	Case 13-S-0032

# POST-HEARING REPLY BRIEF OF PUBLIC UTILITY LAW PROJECT OF NEW YORK, INC.

# I. OVERVIEW

**Of New York for Steam Service** 

The Public Utility Law Project of New York, Inc. (PULP) submits this post-hearing Reply Brief in the 2013 Consolidated Edison Rate Cases, 13-E-0030, 13-E-0031, and 13-E-0032. PULP will summarize its positions, taking into account the initial briefs of other parties, and respond to assertions made by other parties on issues of particular interest to PULP. PULP supports the proposals of the Staff and UIU to strengthen the customer service standards and procedures, but has not provided particular evidence on this issue. In addition, a number of parties have presented evidence and argument on most revenue requirements issues and cost of service. In general, PULP supports the revenue requirement position of the UIU, but has not addressed these issues comprehensively in this case. Similarly, PULP supports the cost allocation and revenue requirement positions of UIU, but has not addressed these issues in this

case. PULP will not be addressing steam issues.

PULP will follow the outline prescribed by the Administrative Law Judges. In order to highlight issues that may appear low on the list but are high on the priorities of PULP, PULP emphasizes that its issues of primary concern in these cases are:

- the need for a workable and up to date Low Income Program, and to reduce the number of customers whose service is terminated for non-payment;
- the need to provide shopping customers with more information on the rates of various providers, including landlords providing submetered service;
- the need to take a prudent and deliberate approach to AMI investments; and
- the need to address the undue shift of risk in the decoupling mechanism to consumers for outages caused by major storms and by utility service disconnection.

PULP also wishes to express its support for the Resiliency Collaborative, where many otherwise contentious issues in this case are being aired and discussed.

# II(C). REVENUE DECOUPLING MECHANISMS-RISKS OF OUTAGES

PULP, Staff and UIU agree that the revenue decoupling mechanism (RDM) as now structured creates a disincentive for the Company to restore service as quickly as possible during extended outages. PULP Initial Brief at 3; Staff Initial Brief at 13; UIU Initial Brief at 4. The RDM makes the Company whole for sales losses as a result of such extended outages. The Company, for its part, urges that no action be taken on proposals to strengthen the incentives for the Company to restore service as rapidly as possible in the event of an extended outage. Company Initial Brief at 16.

The Company did not dispute the underlying logic of the request to eliminate the extended outage make-whole provisions of the RDM. Rather, the Company argues that the Commission has recently opened a generic docket on this precise topic, and the issue should be deferred to that proceeding. Company Initial Brief at 16-17. The Company also noted that Staff

advanced its proposed RDM changes recently at an open meeting, and the Commission has not taken action on the Staff proposal. *Id.*, at 17. The Company argues that there is no basis for making such RDM adjustments in this docket, and that the generic docket provides a forum for a thorough discussion of the issues. *Id.* These arguments are not persuasive.

The Commission can control its own docket to accomplish its public service objectives. It need not leave an issue to a generic proceeding when it has the opportunity to address it in a rate case. Furthermore, a rate case has a definite schedule, and the Commission at the end has the duty at its end to determine whether all rates, terms and conditions are just and reasonable. While the ideal resolution of RDM issues may await deliberation in an industry wide generic proceeding, there is no reason to perpetuate the current Con Edison RDM mechanism that unjustly and unreasonably shifts too much risk to customers and away from the Company, which has some means to control the risk that meters will not run after a storm (through preventive measures and enhanced restoration and repair measures). A rate case also has the advantage over a generic case in that it is time-limited, and focuses on the cost of service implications of implementing a given policy, and gives the opportunity to make incremental improvements and adjustments, experience with which can pave the way for broader and even more perfect realization later in an industry-wide proceeding. In addition, the Commission's order opening the generic proceeding outlined a scope for that case narrower than the scope of RDM reforms promoted by UIU and PULP in this docket.

The RDM/outage issue is especially suitable for treatment in this case, because Con Edison experienced especially long outages and associated revenue losses in recent hurricanes. With a great deal of shoreline in its service territory, and with a demand from suburban

customers to trim trees sparingly, Con Edison is likely to experience storm-related loss of sales in the future, as well. Staff said it well in its Initial Brief:

Given the fact that Con Edison ratepayers were among the hardest hit by Superstorm Sandy, we think it is important not to delay implementation for Con Edison customers.

Staff Initial Brief at 13.

As to sales losses as a result of disconnection for non-payment, the Company is also an important candidate for RDM revisions, because it disconnects power to a large number of customer households each year. The Company argues that it does not have a high rate of disconnection for collection purposes. The Company's termination policies interrupt service to an average of 7,000 customer households of power each month of the year, however. PULP Initial Brief at 9. See, e.g., New York's Utility Disconnection Storm: The Silent Blackout, Exh. NB-2. With respect to the use of disconnection for non-payment, the Company argues that there is no evidence that the ability to reconcile its revenues for associated losses of sales has led it to use disconnection more frequently. Company Initial Brief at 17. The question here is the incentive (or lack of incentive) the revenue recovery scheme provides for utility action. Households experience a 100% loss of electricity once disconnected. While the customer service is interrupted for collection purposes, the meter of course registers no service. Absent an RDM, the Company would face a tradeoff when deciding whether to shut service off to collect a bill - it will lose revenue for the period of the interruption when the customer makes payment. If the bill can be collected or satisfactory payment arrangements made without termination, the meter continues to register service and the Company receives revenue for that. Thus, there is some incentive built into the traditional system which tilts toward providing customer services, negotiation, and further communication rather than severing service. With the RDM, in contrast,

the company is made whole for the service withheld, and the incentives now tilt against expending more customer service efforts to achieve payment without termination. PULP submits that the incentives with the current RDM do not sufficiently reinforce the duty to serve and the duty to provide service continuously. If the Company's assertions are correct, and it uses disconnection as a credit tool as sparingly as possible,<sup>1</sup> it will not be harmed by the correction to the RDM. Finally, the Company should not be heard to say that this issue does not belong in its rate case. Con Edison was a signatory to a joint utility filing in Case 13-M-0061 in which it stated a position directly opposite to the position it is taking in the rate case:

...modifications to any one aspect of the RDM, or the RDM as a whole, should only be made in the context of a utility base rate case.

Joint Utilities Initial Comments, at 4, cited in Brockway Direct, pp. 40-41.

# IX. REVENUE ALLOCATION/RATE DESIGN

#### A(III)(2) - ELECTRIC RATE DESIGN, VOLUNTARY TOU RATE

Few residential customers, particularly those with low income, are likely to take advantage of a Voluntary Time Of Use (VTOU) rate, whatever its specific design. However, they do have an interest in preventing any subsidization of new technologies that are likely to be available only to higher income customers for some time, as a practical matter. Most of the dispute in this docket over VTOU rates center around proposals for rates to enhance or promote the expansion of PEVs in New York City. Due to their cost, PEVs remain far out of reach of low-income families. Low income customers are thus unlikely to be early adopters of PEVs. PULP asks that in resolving the various VTOU rate issues, the Commission ensure that no costs

<sup>&</sup>lt;sup>1</sup> Contrary to the Company's assertions, PULP's witness in fact did suggest a number of improvements in credit and collection practices that would lead to better outcomes for the utility and the customers. Brockway Direct at pp. 19 and following. Importantly, one of those methods suggested was an explicit goal for reduction in the number of disconnections, to focus attention on the problem. *Id.* at 20.

be shifted to non-PEV customers or non-VTOU customers. PEV enthusiasts should not look to the probably 99% of residential customers who do not have PEVs as a source of funding that can be tapped to subsidize or otherwise promote the purchase of PEVs. PULP thus opposes any VTOU rate under which customers would take service at less than the cost of that service.

Furthermore, much of the putative benefit of VTOU rates is not in the delivery portion of the rate, but in the energy supply or commodity portion of the rate, which is the bill component that is most variable by time, when usage at peak cost times is deterred by high prices and is shifted to times of day when spot market prices are lower. The Commission has blazed the way to create competitive opportunities for ESCOs to provide value to customers through possibley more sagacious usage timing and off peak purchasing strategies. Efforts to rejigger Con Edison's delivery VTOU rates may not be significant (because delivery costs are less time of day sensitive than commodity costs), but such efforts to skew the market could interfere with the nascent free market for ESCO services, and thwart their provision of time sensitive prices. PULP affirms its willingness to discuss in the Resiliency Collaborative the possibility of a pilot of time-varying rates in the Consolidated Edison service territory, however. But the Commission should not order Con Edison to run a pilot in the rate year, nor set aside any operating or capital funds for that purpose.

# XI. OTHER ISSUES

#### E. CUSTOMER OPERATIONS ISSUES

#### 1. XI (e) i. AMR/AMI

The Commission has closely followed the fast-moving developments in this field, and most recently called for caution in consideration of large-scale AMI "smart meter" investments.

In its 2011 Smart Grid Policy Statement, the Commission acknowledged that smart metering and two-way communications strategies should not be pursued in the short term, absent definitive proof of their cost-effectiveness. Case 10-E-0285, *Smart Grid Policy Statement* (issued August 19, 2011) (*"Smart Grid Policy Statement"*), pp. 40-41. Consistent with this policy, and given the failure of the Department of Energy to provide stimulus funding to Con Edison customer-facing pilots, the Company has not pursued extensive AMI customer-facing initiatives.

When all the "smart meter" rhetoric is parsed, the issues before the Commission in this case are whether the Company should continue installing modern AMR meters (which save on meter reading costs) and whether the Company in 2014 should be required to fund (ultimately at ratepayer expense) a number of AMI "smart meter" pilots based on designs considered six years ago.

There is no question that the AMR meters the Company is installing produce real, monetizable operational savings. Company Initial Brief at 252. The Company also states that it can in the future adapt and upgrade the AMR meters to provide the functions that might be desired in a so-called "smart meter." *Id.* at 253. This prudent incremental approach of the Company is warranted when one considers that many doubts remain about the net benefits of AMI and time-varying rates for residential customers, and when the mantra of universal smart meter deployment is being more closely scrutinized and questioned.<sup>2</sup> Thus, it is not necessary to deprive ConEdison and its customers the benefits of automation in meter reading in order to

<sup>&</sup>lt;sup>2</sup> "Germany said it probably won't follow smart-meter guidance from the European Union -- which has recommended that 80 percent of homes install the devices by 2020 -- because such a move would be too costly for consumers. The EU proposal is "inadvisable" for Germany, the Economy Ministry said in a statement, citing a study it commissioned from consultants Ernst & Young. For users with low power consumption, the installation cost would be greater than the achievable energy savings, it said." *Germany Rejects EU Smart-Meter Recommendations on Cost Concerns*, Bloomberg.com, Aug. 1, 2013, available at http://www.bloomberg.com/news/2013-08-01/germany-rejects-eu-smart-meter-recommendations-on-cost-concerns.html.

preserve the AMI option.

Two other Commissions have expressed caution or concern about the relative benefits and costs of smart metering investments. In 2010, the Maryland Public Service Commission refused a the request of a utility to establish a surcharge to fund its smart metering investments, Order, 83410, Case No.9208. In this case, the utility had been awarded a stimulus grant that halved the cost to customers of the investment. The utility argued it could not proceed even if the Commission allowed it to create a regulatory asset for later recovery consideration. The Commission declined to shift the remaining risk of the project to consumers. When the utility amended its request to seek only a regulatory asset, understanding that the investment would be subject to later prudence review, the Commission approved its request. Order No 83521, August 13, 2010.

More recently, the Maine Public Utilities Commission this year announced an investigation into the smart metering project of Central Maine Power Company. *Order Initiating Management Audit*, Case No. 2010-00051(Phase II), June 17, 2013. The Commission expressed concern that the Company was now estimating a net loss of \$80 million on the project, compared to a 2010 estimate of \$25 million in net savings. *Id.* at 5. The Commission also expressed concern because the more recent estimates of the potential reach of and value of price-driven demand response were not promising. *Id.* at 5-6.

PULP does not share the certainty of some parties that AMI will produce savings, particularly for residential customers. The field is relatively new, and the Commission has noted that our understanding of the issues deepens over time. Policy that appeared attractive 5 years ago may very well be unattractive when seen through the lens of experience. In addition, the Commission would not be well-served by directing Consolidated Edison to field an AMI pilot in

the rate year in this case. There is no design ready to be fielded. As noted, the questions posed in earlier decisions may not be the most important questions confronting the Company and the Commission today. Nor is PULP aware that in the record of this case reliable estimates of the cost and putative benefit of a well-designed and implemented pilot can be found. Any useful pilot should not merely reproduce the one- or two- season pilots that have been run around the country. Rather, to be of any use, it would have to address the particular impact of time-varying rates on low-income and low-use customers. As former Commissioner Brockway testifed, we know there are problems with time-varying rates for such customers, but we do not know enough of the specifics to determine the extent of the problem or develop options for mitigating it. T. 1993-4.<sup>3</sup> Mandatory TOU rates for residential customers are barred by statute in New York, making the value of a time-of-use rate pilot that much more tenuous. In addition, a one- or two-season pilot could provide misleading results. To provide any insight into the sustainability of price-drive demand response, the pilot would have to run for several years.

To advance understanding of the real-life implications of AMI investments, PULP would be willing to discuss the design of a pilot that Con Edison could field, in the context of the Resiliency Collaborative. There the interested parties can develop the detailed questions that would provide information useful for the Commission at this point in AMI development, given the number of pilots that have been fielded in other areas of the country. There the particular difficulties of identifying impacts on low-use and low-income New Yorkers can be discussed and addressed. The proponents of AMI have not shown that the Commission must act urgently to require expenditures on pilots.

<sup>&</sup>lt;sup>3</sup> The proposed pilot of time-varying rates in Lower Manhattan, Pace Initial Brief at 31, may not provide the information needed to assess the likely impact on low-income customers.

### 2. XI (e) ii. Low Income Programs

There are several issues under the Low Income Program category. These include the overall budget (and indeed whether there should be a "budget" at all), the rate discount levels, the rate design of the discounts, whether the electric Low Income program should include Medicaid receipt as qualifying income-based program, and whether the Company should pay for automatic enrollment and for notifying its customers of their option to decline service under the Low Income Program. The crux of these issues is the question of whether the Company will genuinely promote and advance affordability of its services to low-income customers. The Company and the Staff answer with proposals that, if accepted, would result in many low-income customers left behind. In some ways, the proposals would result in the decimation of the programs.

The Company argues for maintaining the present rate reductions for low-income customers. Coupled with the overall rate increase requested by the Company, retaining the rate reductions at the current level without an increase commensurate with the overall rate increase would harm low-income customers. Con Edison bases this inaction largely on its assertion that any increase at all in the rate reduction for the poor would be an unreasonable burden on other customers. For example:

To the extent that additional assistance is necessary to assist certain low income customers, it should be provided through state and federal programs, and not be further subsidized by the rest of CECONY's customers... CECONY understands the financial burden that low income customers face, but also recognizes the impact that low income discount programs have on CECONY's other customers ...[P] roposals to eliminate spending targets, and to eliminate the Company's ability to reduce the reconnection fee waiver, increases the potential burden on the rest of CECONY's customers.

Con Edison Initial Brief at 257 (citations omitted). The Company also cites no source for evidence of any true low-income rate "subsidy" (in the economic sense of a price not recovering

incremental or decremental costs of the service). The Company states that the current plan "strikes an appropriate balance between low income and other customers." *Id.* But the Company does not explain why it believes the old level of low-income rate reduction still strikes "an appropriate balance" among customers and customer classes in light of current circumstances. Its proposal to increase rates generally while freezing low-income rate reductions at existing levels proportionately *increases* burdens of the poor.

Staff's general approach to the Low Income program issues can be summarized by its statement that no party presented a "compelling" argument as to "why the current low income program budgets, or their associated reconciliation processes, should be changed." Staff Initial Brief, at 267. It is basic, however, that in this rate case it is the Company that has the burden to show that all its rates and charges are just and reasonable.<sup>4</sup> As discussed above, the Company proposals put low-income customers proportionately worse off than under current rates, and they do not address issues fairly placed into dispute regarding the depth of rate reductions and breadth of the eligibility-conferring categories. PULP witness Brockway noted, the size of the Low Income rate reduction should be estimated first based on the need, and then reviewed to assess impacts on the customers who fund the program. Brockway Direct, pp. 25-26. Given Staff's persuasive explanation of the need for lower bills for low-income customers, and the benefits of such bill affordability in terms of reduced disconnections and improved circumstances for society as a whole when the hardship of high utility bills is eased (Staff Consumer Policy Panel Direct at 8), the question might be better put as whether there is any compelling reason to limit the programs to an artificial size developed in an earlier docket.

Looking at the facts of the situation, there are many reasons why the scope of the low-

<sup>&</sup>lt;sup>4</sup> "At any hearing involving a rate, the burden of proof to show that the change or proposed change if proposed by the utility, or that the existing rate, if it is proposed to reduce the rate, is just and reasonable shall be upon the utility...." PSL § 66(12)(i).

income rate reduction should be changed. Since the current limit was established in 2010, participation has increased considerably to reach many more customers, for which the Company is to be commended. Staff Initial Brief at 264. The Company also acknowledges that participation based on the last match has increased to over 400,000. Rather than reallocating the revenue responsibilities of other customers to accommodate this increase, as sensibly proposed by New York City (NYC Initial Brief at 154), the Company and Staff argue instead that discount levels should be reduced so that the total revenue reduction is the same despite the larger number of eligible customers. Con Edison Initial Brief at 257; Staff Initial Brief at 264.

Similarly, the Company and Staff propose to cut back on the benefits provided to participants in the gas Low Income rate program, rather than accommodate the increased need for such bill affordability assistance by a modest reallocation of revenue responsibility. Company Initial Brief at 257; Staff Initial Brief at 267-268. Staff argues that its proposed reductions in benefits (a lower discount for electric program participants, elimination of SC 1 gas customers from the program to accommodate SC 3 customers) would not impair the benefit of the program to its participants. For example, Staff dismisses the value to a low-income household of an 8% difference on the minimum bill under the Company's proposed rates. Staff Initial Brief at 267-268. Neither Staff nor the Company really analyze the actual impact on other customers (for whom they appear to express more sympathy than the poor) of the low income rate enhancements proposed by UIU, NYC and PULP.<sup>5</sup> As Staff puts it, reducing the benefit levels to make the old budget stretch to cover the actual number of likely participants means that the Company "will have sufficient funds to serve all eligible customers." Staff Initial Brief at

<sup>&</sup>lt;sup>5</sup> Note also that Staff refers to Brockway's Direct Testimony in characterizing the PULP proposals. As explained in PULP's Initial Brief, on Rebuttal Brockway amended her proposal to allow for greater low-income bill reduction, and in its Initial Brief, PULP supported the UIU proposed discounts. PULP Initial Brief at 4-5.

267. Taking this analysis to its logical yet absurd conclusion, serving all eligible customers would mean providing any level of discount at all, however meagre, regardless of its effect on low-income bill affordability, and regardless of the reasonableness of the cost shift. Serving eligible customers must mean providing a discount that helps low-income participants afford their utilities.

UIU and PULP did look at the impact their proposals might make on non-low-income customers. UIU points out that its proposed low-income gas rate reductions, for example, amount to less than 1% of the Company's operating revenues. UIU Initial Brief at 89. PULP pointed out that a cost shift considered unreasonable from the point of view of the non-participating customers was deemed an insignificant benefit when viewed from the perspective of the low-income customer, and that the difference in customer charges under consideration was indeed significant to low-income customers' ability to afford service. PULP Initial Brief at 19. The reductions are important components of an effort to cut down on hardships as well as the number of customers whose service is disconnected.

UIU explained as well that the use of a budget cap in the Joint Proposal from the last rate case had been adopted only as a one-time limitation. As the Company had not used a match process to enroll potentially eligible customers in the 2007-2009 period, program participation in 2010 was going to create a one-time bump up in the dollars needed for the program. To avoid a potential sudden increase in the contribution required from non-participants, then, the Commission approved the budget limit approach to total low-income rate reductions in the 2010 rate case. UIU Initial Brief at 91-92. No other New York utility has such a constrained approach, even as their low-income program budgets have been steadily increasing. *Id.* In the context of this rate proceeding, and especially in light of the UIU proposal for a rate decrease for

all customers, the arbitrary budget from the 2010 rate case is no longer needed, and should be eliminated.

In the debate over whether to eliminate Medicaid as an elgibility-conferring assistance category from the gas low-income rate program or include it in the electric program, the Company similarly asserts that whatever the numbers of customers who would qualify only through Medicaid receipt,<sup>6</sup> adding Medicaid to the electric program would "unreasonably increase the cost of the program." Con Edison Initial Brief at 258. Con Edison does not provide its own estimate of the numbers of electric program customers who would be dropped if Medicaid were eliminated as a Qualifying Program. Similarly, without quantification, Staff argues that, while the percentage of Medicaid customers who do not qualify for another program may be "slight," that small increase in the electric program "could have dramatic consequences."<sup>7</sup> Staff Initial Brief at 269.

In the debate over the costs<sup>8</sup> for continuing the automatic enrollment match, the Company remained largely silent, and allowed the Staff to take the lead in formulating proposals that would depress benefits or reduce participation in an effort to maintain the old budget levels. For example, Staff's suggestion that if the City would not pay for the opt-out letter, the Company should only enroll customers whose income status it knows through their HEAP receipt would have the effect of removing most of the present enrollees from the Low Income programs. Staff Consumer Policy Panel Direct at 18. As noted in PULP's Initial Brief, the concern of the Staff

<sup>&</sup>lt;sup>6</sup> Both PULP and UIU pointed out in our Initial Briefs the inconsistencies in the positions of the Company and the Staff on the question of the impact of adding or removing Medicaid as a qualifying program.
<sup>7</sup> Presumably Staff means that the increase to the electric Low Income cost shift would be unreasonably

high. But if the revenue reallocation necessary to ease hardship to the poor was of similar magnitude to other rate impacts approved to advance Commission social and environmental initiatives, however, that would be a very difficult position for Staff to defend. At bottom, the real Staff position may be that making Con Edison rates more affordable to the poor is not a very high priority.

<sup>&</sup>lt;sup>8</sup> Approximately \$90,000 if done twice a year, as recommended by PULP and UIU. See Noel Direct, p. 16; Mugrace Direct, p. 76.

regarding the ability to negotiate an effective arrangement between the Company and the human resources agencies is misplaced. PULP Initial Brief at 22.

The goal of keeping to the past "budget" limit was cited as a key reason to limit the number of times a customer can have a reconnection fee waver, as well. Company Initial Brief at 280. The goal of holding to the present limit is given as a reason for exclusing SC 1customers from the gas Low Income Program, as well. Company Initial Brief at 257-258. The proposed trade-off would not be necessary if the program were adequately supported in rates.

In its Brief, UIU carefully examined each claim regarding the need of low-income customers for bill relief, and the impact on other customers of increasing the moneys allocated to meet that need. UIU Initial Brief, pp. 86-98. PULP has provided testimony as to the import of proposed reductions in low-income program bill relief on participants and non-participants. PULP supports the proposals of UIU to:

- Maintain the low-income program for gas SC 1 customers.
- Increase customer charge reduction for gas SC1 customers to \$3.00.
- Set the customer charge discount for gas SC 3 customers at \$10.00.
- Keep the gas volumetric rate discount at \$0.3833 for the 0-90 therm SC 3 customers.
- Increase the monthly Customer Charge discount for participants in the electric lowincome program from \$8.50 to \$10.50.
- Maintain the customer discounts at the same level throughout the year.
- Require reconciliation of the annual program costs in a similar fashion as other utilities so any funds unspent are carried over to the program's budget the following rate year or over expenditures are deferred for future recovery.
- Include Medicaid as a Qualifying Program for the electric Low Income program, rather than removing it from the gas program.
- Permit customers who received a waiver of the reconnection fee during the current rate plan period to receive that benefit once in the upcoming rate plan period.
- Continue to provide the current 100% waiver and defer associated excess costs for future recovery rather than having their reconnection fee waiver reduced by 50% when the program cost targets are exceeded.
- Reconcile agency and Company automatic enrollment lists twice a year.
- Require Con Edison to pay the costs of the opt-out mailer used in its automatic enrollment matching process.

#### 3. XI(e) vi. Retail Access Online Calculator

PULP has proposed letting tenants have access to the master metering bills of their premises, in order for them to evaluate whether the submetering charges meet the requirements set out by the Commission in many orders which bar owners from marking up their costs (beyone a \$4 monthly billing charge) when biling submetered tenants. The only objection to this proposal is that somehow the master meter bills of the building are no business of each tenant. This objection does not make sense, given that the only way to know if a tenant is overpaying on the submetering charge is to see the master-meter bills. These bills will reveal what usage rate the owner is paying, and the level of administrative costs she is adding to the bill. If the Commission can determine the terms of the allowable submetering, it can determine what information ratepayers may see, and reasonable terms and conditions for allowing access. Owners only master-meter under Commission rules. They should not be allowed to assert privacy when their own bill determines the allowable submetering bills.

With respect to PULP's proposal that the Company should develop an on-bill comparison with default rates for customers taking service from an ESCO, UIU strongly supports this proposal. UIU Initial Brief at 100. RESA and the Company argue that such information would be confusing and misleading to customers. The oppose PULP's proposal, and further insist that the Company continue the PowerMove<sup>t</sup> assistance to customers shopping between various ESCOs and default options. Their positions are inconsistent. The entire point of having the utility provide information on competitive options is to make that market more transparent, and thus allow customers to choose freely based on their own preferences. RESA and the Company worry that customers will be misled by the information PULP proposes they be provided, but at

the same time argues that the Company should continue to sponsor its PowerMove<sup>r</sup> program, despite the fact that the web site fails to give customers enough information to compare actual charges or make an informed judgment.

# 4. XI(e) vii. Service Terminations

Service terminations are discussed above in the material on RDMs and low-income programs. Here, PULP would only note that Ms. Brockway in fact set out some proposals for changes in the Company's credit and collection practices that, based on experience elsewhere, could both reduce the number of customers going without service and keep uncollectibles to a reasonable level.

### G. SMART GRID

PULP discusses this topic under the AMR/AMI heading, above.

# X. CONCLUSION

For the reasons presented in PULP's Initial and Reply Briefs, PULP respectfully requests that the Commission approve the proposals it sets forth above, and reject inconsistent proposals of other parties.

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