



Department
of Public Service

NYAW Rate Case

May 18, 2017 Session

Case 16-W-0259

Chronology

- April 29, 2016 – Company Filed Rate Case
- September 2, 2016 – Staff and Intervenor Testimony
- September 23, 2016 – Rebuttal Testimony
- September 26, 2016 – Notice of Impending Settlement Negotiations
- January 9, 2017 – Joint Proposal
- February, 2017 – Statements in Support/Opposition and Reply Statements
- March 8, 2017 – Hearing on Joint Proposal
- April, 2017 – Post-hearing Briefs and Reply Briefs

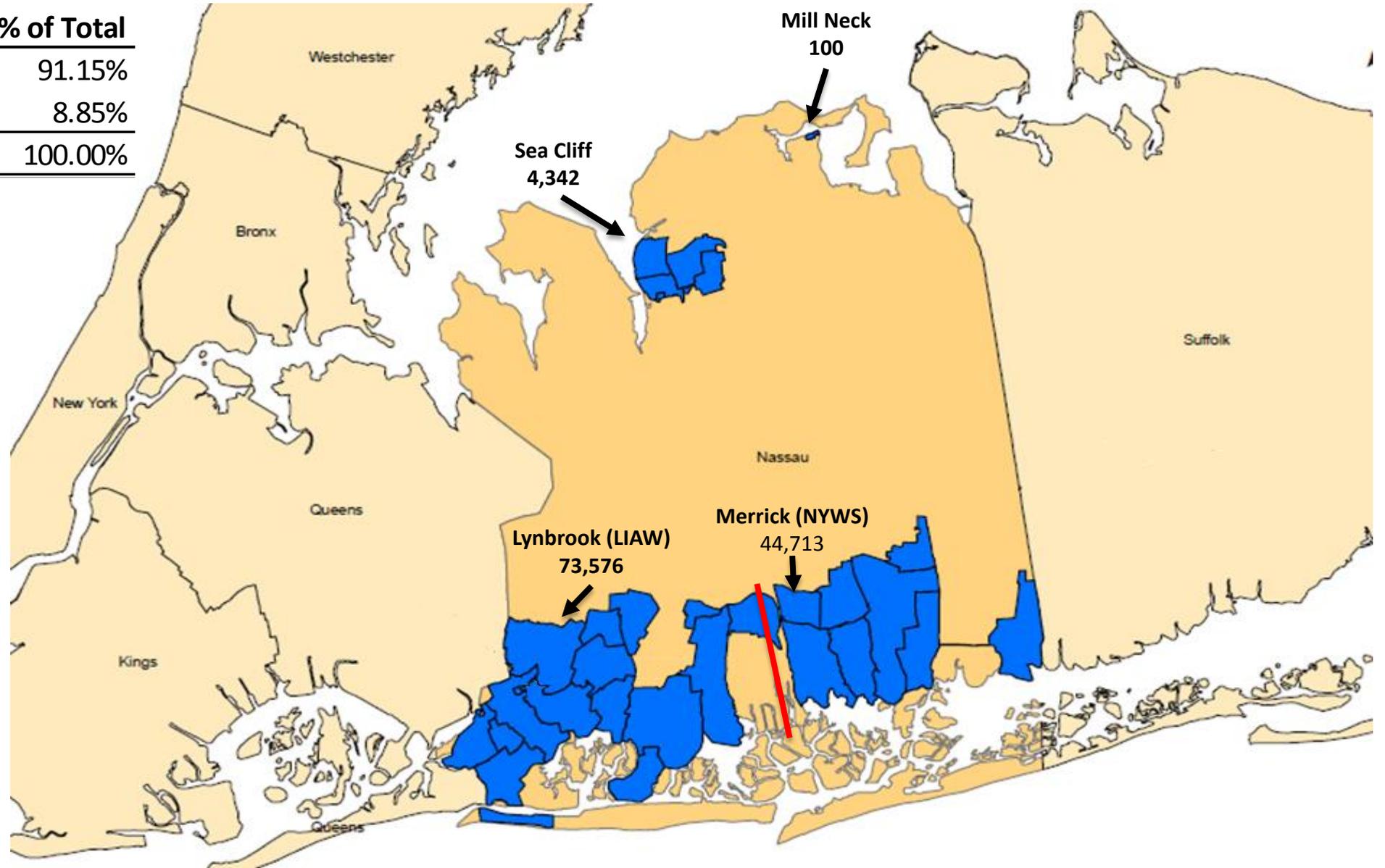
SA2

Merrick

Sea Cliff

Total SA2:

| Customers | % of Total |
|------------------|-------------------|
| 44,713 | 91.15% |
| 4,342 | 8.85% |
| 49,055 | 100.00% |



Not Shown:

- Cambridge, Washington County – 462



Current NYAW

| SA1 | Customers | % of Total |
|-------------------|---------------|----------------|
| Lynbrook | 73,576 | 97.78% |
| Cambridge | 462 | 0.61% |
| Mount Ebo | 423 | 0.56% |
| Kingsvale | 213 | 0.28% |
| Wild Oaks | 213 | 0.28% |
| Dykeer | 118 | 0.16% |
| Mill Neck | 100 | 0.13% |
| Waccabuc | 79 | 0.10% |
| Spring Glen Lake | 36 | 0.05% |
| Lucas Estates | 30 | 0.04% |
| Total SA1: | 75,250 | 100.00% |

Overview

- **Company Filing**

- Total Increase in Revenues
 - SA1: \$5.8M (Incremental Increase)
 - SA2: \$2.7M (Incremental Increase)
- 10.75% ROE and 48% Equity Ratio

- **Joint Proposal**

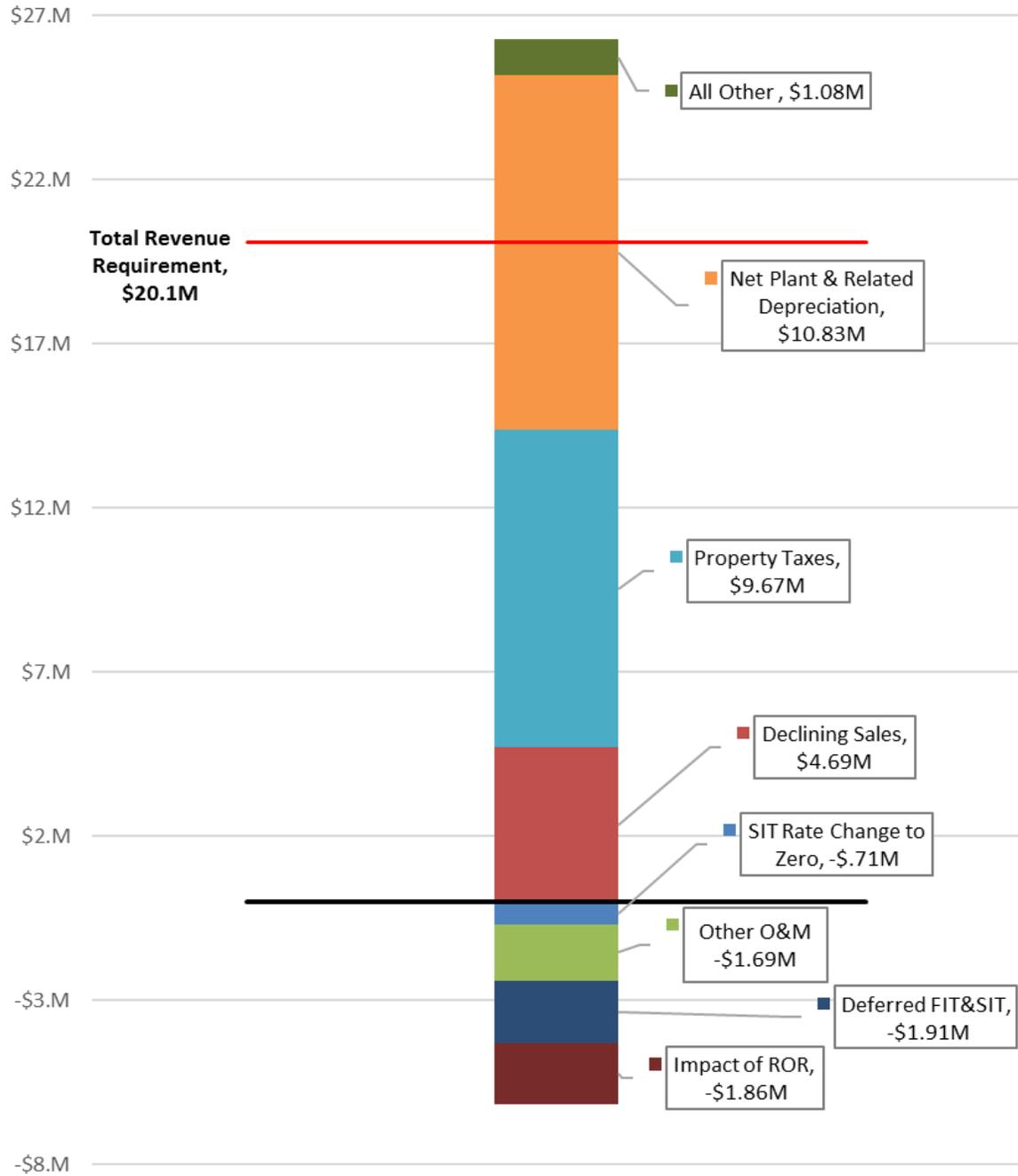
- Four Year JP – April 1, 2017 through March 31, 2021 (Compressing rates in the first rate year.)
- Total Increase in Revenues (RY1)
 - SA1: \$3.26M (Incremental Increase)
 - SA2: \$.33M (Incremental Increase)
- 9.1% ROE and 46% Equity Ratio

Joint Proposal - Revenue Increases

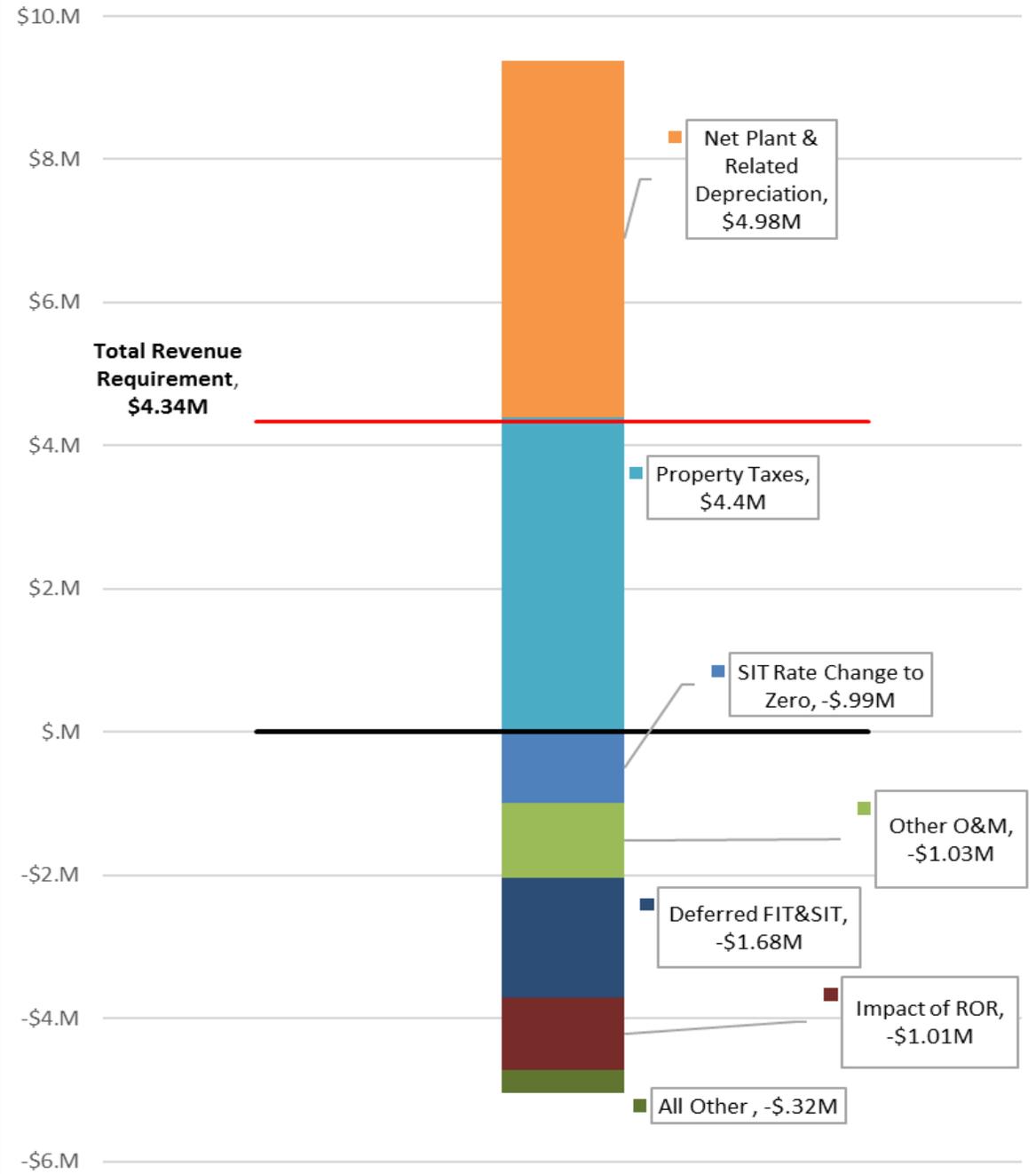
| Service Area 1 | | |
|-------------------|-----------------|------------|
| | Incremental | |
| | Total Increase | % Increase |
| RY1 | \$3.26M | 4.8% |
| RY2 | \$3.1M | 4.4% |
| RY3 | \$2.71M | 3.7% |
| RY4 | \$4.34M | 5.7% |
| Cumulative | \$32.11M | |

| Service Area 2 | | |
|-------------------|-----------------|------------|
| | Incremental | |
| | Total Increase | % Increase |
| RY1 | \$.33M | 1.0% |
| RY2 | \$1.82M | 5.3% |
| RY3 | \$2.02M | 5.6% |
| RY4 | \$3.63M | 9.6% |
| Cumulative | \$14.47M | |

Major Rate Drivers - SA1



Major Rate Drivers - SA2



Joint Proposal

- **Capital Improvements and**
- **System Improvement Charge (SIC)**
- **Lead Pipe Removal Pilot Program**
- **Property Tax**
- **Rate Allocation**
- **Low Income Program**
- **Qualified New York State Manufacturer's Credit**
- **Geothermal Pilot Program**