

PSC NO: 10 – Electricity
Consolidated Edison Company of New York, Inc.
Initial Effective Date: 02/28/2016

Leaf: 154
Revision: 3
Superseding Revision: 0

GENERAL RULES

20. Standby Service - Continued

20.2 Interconnection and Operation - Continued

20.2.1 - Continued

(A) – Continued

- (2) An annual charge of 12.1 percent of the capital costs of interconnection, including the costs of delivery system reinforcements, to cover property taxes and operation and maintenance expenses. The annual charge shall be determined by multiplying the rate of 12.1 percent by the total capital costs of interconnection. The annual charge is payable by the Customer in monthly installments equal to one-twelfth of the annual charge.

At the Customer's option, the Customer may pay a non-refundable lump sum charge instead of annual surcharges. The lump sum charge will be equal to the net present value of the annual payments using the following formula:

$$\text{Lump Sum Value} = \text{Cfn} / (\text{R} - \text{g})$$

Where:

Cfn = Annual payment stream;

R = Pre-tax cost of capital authorized by the PSC in the Company's most recent rate case; and

g = Long term growth rate, set at 0 percent.

(B) Other Requirements

- (1) Metering equipment (except meters and metering transformers) and interrupting equipment, as specified by the Company, will be installed and maintained by the Customer in accordance with Company specifications. Where such facilities are located on the Company's property, they will be installed and maintained by the Company at the Customer's expense.
- (2) All requests for parallel operation will be reviewed on a case-by-case basis. Parallel operation will be permitted only if, and to the extent, such operation does not jeopardize the adequacy or reliability of service to the Company's other Customers. Failure of the Customer at any time to comply with the terms and conditions specified by the Company in order to permit parallel operation will result in the Customer forfeiting its right to operate in parallel with the Company's system. In the event a Customer forfeits its right to operate in parallel with the Company's system, the Customer will be required to bear the reasonable expense associated with disconnecting the Customer's private plant from the Company's system. Where there is a dispute between the Customer and the Company with respect to the standards and charges for interconnection, the Customer may apply to the Public Service Commission for a ruling in the matter.

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