



Consolidated Edison Company  
of New York, Inc.  
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May 29, 2018

Honorable Kathleen H. Burgess  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza, 19<sup>th</sup> Floor  
Albany, New York 12223-1350

**RE: Cases 14-E-0423 et al., Proceeding on Motion of the Commission to  
Develop Dynamic Load Management Programs**

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) is filing with the Public Service Commission (the “Commission”) amendments to its Schedule for Electricity Service, P.S.C. No. 10 – Electricity (the “Electric Tariff”), applicable to its customers in the City of New York and the County of Westchester. The Company is also filing amendments to its Schedule for PASNY Delivery Service, P.S.C. No. 12 – Electricity (the “PASNY Tariff”),<sup>1</sup> applicable to delivery by the Company of power and associated energy to Authority Public Customers under the PASNY Tariff.

The Company’s tariff leaves and statements are issued with an effective date of June 1, 2018. The specific tariff leaves and statements being revised are identified in Appendix A.

**Reason for Filing**

On October 6, 2016, the Company filed a draft proposal with the Commission to amend its method of cost recovery for its Dynamic Load Management (“DLM”) programs: Commercial System Relief Program (“CSR”), Distribution Load Relief

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<sup>1</sup> This schedule is also titled, “Delivery Service Rate Schedule Implementing and Part of the Service Agreement Between the Power Authority of the State of New York (“PASNY” or “NYPA”) and Consolidated Edison Company of New York, Inc. (the “Company”), dated March 10, 1989, for the Delivery by the Company of Power and Associated Energy to Authority Public Customers.”

Program (“DLRP”), and Direct Load Control (“DLC”) Program.<sup>2</sup> Con Edison’s CSRP and DLRP are offered under Rider T – Commercial Demand Response Programs, and the DLC Program is offered under Rider L – Direct Load Control Program of the Electric Tariff.

On April 19, 2018, the Commission issued an Order Directing Tariff Filings, (the “April 2018 Order”) in the above-referenced proceeding directing the Company to file tariff amendments, to be effective on May 1, 2018, that: (1) allocate the costs associated with CSRP to all service classes using the Company’s transmission demand allocator; (2) to the extent practicable, allocate the costs associated with the DLC Program and DLRP to service classes served at the primary voltage level and below using the Company’s primary distribution demand allocator; and (3) provide for the recovery of the costs of these programs from non-demand billed customers on a per kWh basis, and from demand billed customers on a per kW basis through existing delivery rate lines on customers’ bills.

On April 27, 2018, the Commission granted the Company’s request to extend the effective date from May 1, 2018, as directed by the April 2018 Order, to June 1, 2018 (the “Extension Ruling”).

### **Tariff Changes**

Pursuant to the April 2018 Order, the Company is implementing the draft tariff leaves filed on October 6, 2016, which includes the new DLM Surcharge sections in the Electric and PASNY Tariffs. The Company is also making the following changes:

- DLRP and DLC Program costs will be allocated based on the Company’s most recently filed primary distribution demand (D04) allocators.
- CSRP costs will be allocated based on the Company’s most recently filed transmission demand (D03) allocators.
- Interest on any under- or over-collections from the reconciliation of the DLM Program costs and recoveries will be calculated at the Customer Deposit Rate.
- The April 2018 Order specifies that the DLM Surcharge is to be included in the same line item on customers’ bills that the Value of Distributed Energy Resources (“VDER”) costs are being recovered. For Customers served under the Electric Tariff, VDER Cost Recovery charges are included with the Monthly Adjustment Clause (“MAC”) for the purposes of billing. Therefore, the DLM Surcharge will

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<sup>2</sup> Pursuant to the Commission’s Order Approving Tariff Amendments, issued and effective December 14, 2017, in Case 17-E-0526, the smartAC kit Program has been moved into the DLC Program and will be included in the DLM surcharge effective June 1, 2018, as a part of the DLC Program.

also be included with the MAC for the purposes of billing. For Customers served under the PASNY Tariff, all charges listed under Section (H) - Other Charges and Adjustments of the “Additional Delivery Charges and Adjustments” section of the PASNY Tariff, including the DLM Surcharge and VDER Cost Recovery charges, will be shown as one total amount under “Other Charges and Adjustments.”

- General Rule 26.1, Monthly Adjustment Clause, of the Electric Tariff and Section (H)(1) "Charge for Demand Management Programs " of the PASNY Tariff were revised to reflect that CSRP, DLRP, and DLC Program costs incurred on or after May 1, 2018, will cease to be recovered through those mechanisms.

### **Statements**

The Company is filing a new Statement of Dynamic Load Management Surcharge – DLM Statement No. 1 to the Electric Tariff and Statement of Other Charges and Adjustments – OTH Statement No. 52 to the PASNY Tariff to recover the DLM Program costs.

### **Conclusion and Notice**

As directed by the Extension Ruling, the Company is filing changes to the Electric and PASNY Tariffs to become effective on June 1, 2018 on not less than three days' notice. Pursuant to Ordering Clause 2 of the April 2018 Order, the Commission has waived the requirements for newspaper publication.

Any questions regarding this filing can be directed to Ricky Joe at 212-460-4995.

Sincerely,

/s/ William A. Atzl, Jr.  
Director  
Rate Engineering Department

**List of Revised Tariff Leaves and Statements****P.S.C. No. 10 – Electricity**

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
7	7	6
337	10	9
341	2	1
343	9	8
357	6	5

<u>Statement</u>	<u>Statement Type</u>	<u>Statement No.</u>
Statement of Dynamic Load Management Surcharge	DLM	1

**P.S.C. No. 12 – Electricity**

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
26	7	6
26.3	2	1

<u>Statement</u>	<u>Statement Type</u>	<u>Statement No.</u>
Statement of Other Charges and Adjustments	OTH	52