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November 16, 2020

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

**RE: Case 18-E-0130, In the Matter of Energy Storage Deployment Program**

Dear Secretary Phillips:

Consolidated Edison Company of New York, Inc. (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 tariff amendments are issued with an effective date of December 1, 2020. The specific Electric and PASNY Tariff leaves and statement being filed are identified in Appendix A.

**Reason for Filing**

This filing is made pursuant to the Commission’s *Order Establishing Term-Dynamic Load Management and Auto-Dynamic Load Management Program Procurements and Associated Cost-Recovery*, in Cases 18-E-0130 et al. issued September 17, 2020 (the “Order”). The Order directed the Company to file tariff amendments detailing the two Dynamic Load Management (“DLM”) Programs, the Term-DLM program and the Auto-DLM program, and associated cost allocation and cost recovery mechanisms.

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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.”

### **Tariff Changes**

Pursuant to the Order, the Company created a new rider, Rider AC, in the Electric Tariff to establish the Term-and Auto-DLM programs. The Term-DLM program is designed for peak reduction and can be called during fixed four-hour call windows aligned with Network peaks on days where the day-ahead load forecast rises above certain thresholds. The Auto-DLM program is designed for both peak reduction and for reliability of the electric system and can be called with a ten-minute notice in response to emergencies that may impact reliability. Rider AC includes the following provisions:

- Participants enrolling under Rider AC must enter into a Program Agreement, which is awarded by the Company through an open, pay-as-bid, Request for Proposal solicitation process. At the time of bid, the applicant must indicate the kilowatt quantity of the proposed load relief, the selected network in which they will provide the load relief, the price per kilowatt, and the corresponding program (Term- or Auto-DLM).
- Participation in the Term- and Auto-DLM programs is limited to electric generating equipment meeting certain criteria. Participation by diesel-fired generating equipment is prohibited.
- For Term-DLM Events, the Company will send an Advisory at least 21 hours before and provide notice no less than two hours in advance. For Auto-DLM Events, the Company will provide notice no less than ten minutes in advance.
- Reservation Payments will be provided to Term- and Auto-DLM participants after each Capability Period. Reservation Payments will be determined based upon the applicable Reservation Payment Rate, the participant's Portfolio Quantity, and the Performance Factor. The Company will also make Performance Payments, as applicable. Details regarding the calculation of these payments are described in the Program Agreement.
- Participants have the ability to withdraw from the Term- and Auto-DLM programs by paying an Early Exit Fee prior to the first Capability Period of the Program Agreement. The Company may offer additional opportunities for participants to exercise such early exit rights or require payment of the Early Exit Fee in the event a participant is unable to meet minimum performance standards.
- Customers cannot concurrently participate in both the Term- and Auto-DLM programs.
- Restrictions on other Electric Tariff and PASNY Tariff provisions have been included for Customers who also participate in Rider AC. These restrictions include: (1) Customers that receive compensation under the Value Stack Tariff of Rider R of the Electric Tariff or the Value Stack Tariff for PASNY Customer-Generators of the PASNY Rate Schedule are ineligible to receive Demand Reduction Value and Locational System Relief Value compensation for the duration of their participation under Rider AC; (2) Customers that

receive compensation under Grandfathered Net Metering or Phase One Net Energy Metering under Rider R of the Electric Tariff are ineligible to participate in Rider AC; (3) Customers participating in Rider T, Commercial Demand Response Programs, of the Electric Tariff cannot participate in Rider AC, except that Term-DLM Customers can participate in the Direct Load Relief Program (“DLRP”) under Rider T; (4) enrollment under Rider AC is not available to Customers participating in Rider L, Direct Load Control Program, and Rider AB, Smart Home Rate under the Electric Tariff. These restrictions have also been included in Riders L, R, T, and AB of the Electric Tariff, and the Value Stack Tariff for PASNY Customer-Generators of the PASNY Tariff.

Consistent with the treatment of Rider T, the Company has made changes to other sections of the Electric Tariff as described below:

- Customers are allowed to use emergency generating facilities to participate in Rider AC.
- Rider AC Customers are allowed to participate in Rider Q – Standby Rate Pilot.

The Order requires the Company to recover the costs of the Term- and Auto-DLM programs in the same manner as the Commercial System Relief Program (“CSRP”). Accordingly, the Company has made the following changes:

- Term- and Auto-DLM program cost recovery has been added to the existing DLM Surcharge provisions in the Electric Tariff and the PASNY Tariff, which currently recover costs associated with the CSRP, Dynamic Load Control (“DLC”) program, and the DLRP.
- Term- and Auto-DLM program costs will be allocated based on the Company’s transmission demand (D03) allocator, the same allocator that is currently being used to allocate CSRP program costs.
- Term-DLM and Auto-DLM programs will be reconciled together with the CSRP component of the DLM Surcharge and separately from the DLRP and the DLC programs.
- The Company is filing the Statement of DLM Surcharge – DLM Statement No. 4 to the Electric Tariff, to include the recovery of the Term- and Auto-DLM programs effective December 1, 2020. The Company will include the recovery of the Term- and Auto-DLM programs from PASNY Customers through the monthly Statement of Other Charges and Adjustments to be filed separately less than three days before the effective date of December 1, 2020. The forecasted program costs for the Term- and Auto-DLM programs are \$20,000 for the period December 1, 2020 through April 30, 2021.

**Conclusion and Notice**

Pursuant to Ordering Clause 5 of the Order, the Company is filing these changes by November 16, 2020, with an effective date of December 1, 2020. Pursuant to Ordering Clause 7 of the Order, the Commission waived the requirement for newspaper publication of these changes.

Respectfully submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

/s/

William A. Atzl, Jr.

Director

Rate Engineering

## Appendix A

**PSC No. 10 - Electricity: List of Revised Electric Tariff Leaves**

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
6	15	13
78	8	7
177	22	20
213.1	2	1
243.13	3	2
253.4	4	2
253.4.2	2	0
253.8	7	6
268	9	5
281	10	8
327.13	2	1
327.19	0	
327.20	0	
327.21	0	
327.22	0	
327.23	0	
327.24	0	
327.25	0	
327.26	0	
357	8	6

<u>Statement</u>	<u>Statement Type</u>	<u>Statement No.</u>
Statement of Dynamic Load Management Surcharge	DLM	4

**PSC No. 12 - Electricity: List of Revised PASNY Tariff Leaves**

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
17.16	2	0
17.17	2	0
26.3	9	6