



Consolidated Edison Company
of New York, Inc.
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January 16, 2015

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

RE: Case 13-E-0573, Demand Response Program Riders S and U

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) is filing with the Public Service Commission (“Commission”) amendments to its Schedule for Electricity Service, P.S.C. No. 10 – Electricity (“Tariff”), applicable to its customers in the City of New York and the County of Westchester. The Tariff leaves, which are identified below, are filed to become effective on May 1, 2015:

<u>Rider</u>	<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
S	257.1	4	3
S	265	6	5
S	265.1	0	
S	266.1	0	
U	282.1	4	3
U	291	6	5
U	291.1	0	

Background

On June 27, 2014, the Company filed tariff revisions to the Commercial System Relief Program (“Rider S”) and the Distribution Load Relief Program (“Rider U”), pursuant to the Commission’s Order Denying Petition for Rehearing But Granting Reconsideration in Part, issued and effective June 27, 2014, in Case 13-E-0573 (the “2014 Order”). The Order directed the Company to allow a Direct Participant or Aggregator Network Resource (“ANR”) participating in the Three-Year Incentive Period under the Reservation Payment Option to pledge a load reduction in years two and three that is lower than the year one pledge if the customer completed an electric energy efficiency project that reduced its peak load. That filing became effective on July 16,

2014. The 2014 Order also directed the Company to propose a tariff amendment, within 60 days of the 2014 Order's issuance, describing how the amount of a pledge reduction would correspond to demand savings realized from the completed electric efficiency project. The Company included that change and others in its filing of August 26, 2014.

The Commission's Order on Proposed Tariff Amendments, issued and effective January 9, 2015, in Case 13-E-0573, (the "2015 Order"), adopted the leaves filed on August 26, 2014, with exception. The 2015 Order directed the Company to file tariff amendments within ten days of the 2015 Order's issuance describing the specific methodology that will be used to determine the savings from a completed energy efficiency project and the process that participants must follow to request a pledge reduction. Accordingly, this filing makes those changes.

Tariff Changes

The following changes have been made:

- The "Application and Term of Service" section of Riders S and U is modified to indicate that a Direct Participant or Aggregator, for its ANR, participating in the Three-Year Incentive Period can reduce its pledge due to a completed energy efficiency project pursuant to section J.5 and section J.10 of Rider S and Rider U, respectively. (Leaf 257.1 and Leaf 282.1)
- The "Performance Factor" section under the "Reservation Payment Option" of both Riders is modified to indicate how the Performance Factor will be calculated for participants in the Three-Year Incentive Period that requested a reduction in the pledged Load Relief after completing an energy efficiency project. (Leaf 265 and Leaf 291)
- The "Penalties" section under the "Reservation Payments Option" of Rider S is modified to indicate how penalties will be applied to a Direct Participant or Aggregator, for its ANR, that requested a reduction in the pledged Load Relief due to a completed energy efficiency project. (Leaf 265.1)
- A new section, "Reductions of Pledged Load Relief in the Three-Year Incentive Period," is added to both Riders (section J.5 of Rider S and section J.10 of Rider U). This section describes the methodology that will be used to determine the savings from a completed energy efficiency project and the process that participants must follow. (Leaf 266.1 and 291.1)

Conclusion and Notice

As directed by Ordering Clause 3 of the 2015 Order, the Company is filing, its proposed tariff revisions regarding the reduction of pledged Load Relief due to demand savings realized from a completed energy efficiency project. These tariff revisions are issued to become effective on May 1, 2015.

Newspaper publication of the proposed tariff amendments will be published on January 23, January 30, February 6, and February 13, 2015.

Copies of this filing are being sent electronically to all active parties to Case 13-E-0573.

Sincerely,

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