



Consolidated Edison Company  
of New York, Inc.  
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New York NY 10003  
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April 25, 2013

Honorable Jeffrey Cohen  
Acting Secretary  
State of New York  
Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223

Re: Proposed Amendments to Gas Tariff

Dear Secretary Cohen:

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) hereby submits for filing the following tariff leaves proposing revisions to its Schedule for Gas Service-P.S.C. No. 9 – Gas (the “Gas Tariff”):

Leaf	68	Revision 3	Superseding	2
Leaf	87	Revision 5	Superseding	4
Leaf	98	Revision 3	Superseding	2
Leaf	264	Revision 9	Superseding	8
Leaf	316.1	Revision 6	Superseding	5
Leaf	327	Revision 4	Superseding	3
Leaf	329	Revision 4	Superseding	2
Leaf	330	Revision 4	Superseding	2
Leaf	337	Revision 7	Superseding	6
Leaf	341.1	Revision 6	Superseding	5
Leaf	341.4	Revision 2	Superseding	1

These leaves are issued April 25, 2013, to become effective August 1, 2013.

### **Reason for Filing**

On December 14, 2011, the Commission issued a Notice Soliciting Comments to New York’s gas utilities about the then-current state of their interruptible service, in the form of twelve questions that addressed current interruptible service practices and potential improvements to interruptible services.<sup>1</sup> As a result of the comments received, the Commission issued on May 23, 2012, an *Order Directing Certain Utilities to Submit Tariff Amendments* (“Order”). The Order determined that New York’s gas utilities were

<sup>1</sup> Case 11-G-0543, In the Matter of the Commission’s Examination of the Criteria for Interruptible Gas Service, *Notice Soliciting Comments* (issued December 14, 2011).

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generally in compliance with existing rules for interruptible service. However, in Ordering Clause 2 of the Order, the Commission stated that:

Each gas utility listed in the body of this Order is directed to review its current communications with interruptible customers and file needed tariff amendments and Operating Procedures changes...that will ensure a uniform protocol is used that employs multiple sources of contact and various media outlets to distribute its messages to customers, NYSERDA, Energy Service Companies and the Oil Associations.

Pursuant to the Order, the Company made a compliance filing on July 2, 2012. As part of the Company's proposed actions to meet the uniform communication protocol, the Company proposed eliminating the Temperature Control ("TC") Option as a means of initiating interruptions for SC 9 gas transportation and SC 12 gas sales Rate 1 customers. In light of feedback the Company received from customer representatives in response to that proposal, and after further consideration, the Company requested on August 31, 2012, that the effective date for eliminating the TC Option be postponed from November 2012 to April 2013. The Company explained that this postponement would give the Company the opportunity to better educate its TC customers about notification as a means for interrupting gas service and give customers more time to adjust to the new requirements. By memorandum order issued and effective October 18, 2012, the Commission accepted, among other things, Con Edison's request to re-file its proposal to eliminate the TC option at a later date.

### **Discussion**

After further exploration and consideration, the Company is re-filing its request to eliminate the TC option. Eliminating the TC option will allow for a uniform communication protocol, consistent with the Order, as well as provide the following benefits:

- Provide customers more certainty as to the start and end of interruptions;
- Provide customers more advance notice of interruptions;
- Likely minimize customer alternate fuel costs and environmental impacts of burning alternate fuel;
- Enable all interruptible customers to participate in seasonally planned interruptions to test alternate fuel capability;
- Enable all interruptible customers to participate in pre-season communications tests; and
- Enable area-specific interruptions for all dual fuel customers when necessary to maintain service to firm gas customers.

As of April 1, 2013, the Company had 925 interruptible customers in SC9 and SC12 of which 56 are Rate 2 Customers and 869 are Rate 1 Customers. All of the SC12 Rate 2

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Customers are notification customers and, of the 869 SC9 and SC12 Rate 1 Interruptible Customers, 664 or 76 % are notification customers. The remaining 205 customers under Rate 1 are TC customers. Currently, an interruptible sales or transportation customer can elect either notification or TC as its method of service interruption. However, the Company, at its sole discretion, may switch a transportation customer from the TC option to the notification option at any time, upon notice to the Customer, to alleviate conditions that threaten the integrity of the Company's distribution system or its ability to serve the requirements of its firm Customers.

Sales customers that select the TC option are not called to notify them of the interruption in service. TC customers are required instead to set their temperature sensing equipment to Company-prescribed temperature settings by priority. These prescribed temperatures are set forth each year in the pre-season letter mailed to customers prior to the start of winter. The temperature-sensing equipment may switch the customer's equipment to its alternate fuel based on the ambient temperature at the location and switch back to natural gas when the temperature rises five degrees above the cutoff temperature. In some cases the temperature sensing equipment is not automatic, but instead sounds an alarm alerting the customer to switch equipment to an alternate fuel.

Over the past four winters, TC customers were interrupted (based on ambient temperature) on more occasions and for significantly longer durations (148% more hours) than the notification customers, as shown in the chart below.

	No. of Interruptions TC Customers	Hours Interrupted TC Customers	No. of Interruptions Notification Customers	Hours Interrupted Notification Customers
2012/13	9	218	2	53
2011/12	9	114	2	15
2010/11	12	160	4	116.5
2009/10	16	272	4	124

Recently, fuel oil has been more expensive than natural gas. Consequently, TC customers likely incurred higher energy costs because of the frequency and duration of interruptions they have experienced over the last few years. Moreover, the information in the table above suggests that more emissions are produced under the TC structure.

Under its notification process, the Company provides customers a minimum of six hours advance notice of an interruption and provides advance notice alerting the customer of when it can resume burning natural gas. Consistent with the Order, multiple methods of notification are utilized in this process, including telephone, fax, text message and e-mail to contact personnel identified by the customer. The Company also notifies TC customers that provide contact information of upcoming weather information to alert them that their automatic temperature cutoff could be approaching. However, weather

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forecasts are not reliable and do not provide a good basis for advising TC customers of specific start and stop times for burning gas associated with interruption notices. Accordingly, interruption notifications to TC customers have resulted in confusion for TC customers. For example, during this past winter season, several TC customers contacted the Company to ask what the notification provided by the Company was for since they interrupt based on temperature and not notification.

The Company plans to conduct additional outreach and education by notifying all customers of these proposed changes, engaging customer advocates in the development and implementation of customer training, as well as providing information about the notification process on the Company's website through its eLearning tool prior to the 2013-2014 Winter Season. In addition, the Company will conduct a pre-winter season communication test prior to November 1<sup>st</sup> that would now include all interruptible customers.

### **Conclusion and Notice**

The Company requests approval of this filing by no later than August 1, 2013 in order to provide sufficient time to fully implement this proposal, which requires outreach, education and transfer or removal of temperature-sensing equipment.<sup>2</sup>

On January 29, 2013, the Commission issued an order suspending the operation of the amendments submitted by the Company in Case 13-G-0031. The Company makes this filing pursuant to 16 NYCRR Part 61.10(c)(5), or subject to the approval of the Commission pursuant to 16 NYCRR Part 61.10(a), as the Commission deems appropriate.

The Company will publish notice of this filing in accordance with Public Service Law §66(12)(b).

Questions regarding this filing may be directed to Margaret Lenz at (212) 460-2217.

Sincerely,

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

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<sup>2</sup> The Company is proposing to turn over any Company-owned temperature sensing equipment to customers that may have a continuing use for such equipment, at no charge.