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April 24, 2013

Hon. Jeffrey Cohen
Acting Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, N.Y. 12223-1350

RE: Cases 11-E-0176 and 13-E-0109, Tariff Changes for Recharge New York

Dear Acting Secretary Cohen:

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 “Tariff”), applicable to its customers in the City of New York and the County of Westchester.

The revised Tariff leaves, which are identified below, have an effective date of May 1, 2013:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision</u>
97	4	2 ¹
459	4	2 ²
459.0.1	0	-
459.3	3	1 ³

Reason for Filing

Customers served under Recharge New York (“RNY”) receive supply from NYPA for all or half of the power and energy allocated to them by NYPA under the RNY program. RNY customers are subject to all Delivery Charges, except that the System Benefits Charge (“SBC”), Renewable Portfolio Standards (“RPS”) Charge, and Revenue Decoupling Mechanism (“RDM”)

¹ Revision 3 to Leaf No. 97 is pending in Case 11-E-0176 and has a proposed effective date of May 20, 2013. If Revision 3 is approved, the text in Revisions 3 and 4 will be merged onto a new leaf.

² Revision 3 to Leaf 459 is pending in the Company’s electric rate case, Case 13-E-0030.

³ Revision 2 to Leaf 459.3 is pending in the Company’s electric rate case, Case 13-E-0030.

Adjustment are not applied to the RNY deliveries. Customers served under the Excelsior Jobs Program (“EJP”) receive a reduction in Demand Delivery Charges and Energy Delivery Charges plus an exemption from the RDM Adjustment provided the Company receives a Tax Certificate or Tax Certification for the prior tax year. EJP reductions are applied to kW and kWhr usage above the baseline for existing customers and to all kW and kWhr usage for new customers.

The Commission issued its Order Modifying Tariff Requirements Related to the Recharge New York Power Program Act and Initiating Proceeding (the “Order”), issued and effective March 18, 2013, in Case 11-E-0176, *“In the Matter of the Commission’s Implementation of Certain Provisions of the Recharge New York Power Program Act,”* and Case 13-E-0109, *“Proceeding on Motion of the Commission to Examine Combining Certain Low-Cost Power Supply Allocations with an Empire Zone or Excelsior Jobs Delivery Discount.”* The Order (pp. 7 and 8) directed utilities to file tariff amendments to: (a) allow Customers to participate in RNY for their supply, while electing delivery service for the RNY load under the Empire Zone Program or EJP;⁴ (b) permit customers to make the election once, at the time the tariff becomes effective or when the Customer qualifies thereafter to participate in both RNY and EJP;⁵ (c) prohibit a combination of RNY delivery discounts with discounts from other economic development programs on the same load unless the RNY participant demonstrates to the utility a financial need similar to that required to obtain an individually negotiated flexible rate contract or similar delivery rate discount program; and (d) enable customers who elect the EJP delivery discount to automatically revert back to RNY delivery discounts, if eligible, in years in which they do not qualify for the EJP discount. The customer would continue to be billed for RNY delivery discounts, if eligible, until the customer again qualifies for the EJP discount, at which time the customer would be restored to the EJP discount.

Tariff Changes

To comply with the Order, the Company has made a tariff change to General Rule 11, “Billing Applicable to Certain Economic Development Programs.” It has also made tariff changes to Special Provision G and Special Provision H of Service Classification 9, applicable to RNY and EJP customers, respectively. The changes are described below:

- There are currently only two programs under which customers participate under General Rule 11: WTC⁶ and RNY. General Rule 11 has been amended to indicate that, when a customer receives EJP Delivery Service for the RNY load, the demand served under RNY for Delivery Service will be the lower of the customer’s RNY demand allocation or the registered monthly maximum demand less the demand served under EJP. (This differs from the demand served under RNY for Supply Service, which is the lower of the customer’s RNY demand allocation or the registered monthly maximum demand.) General Rule 11 has

⁴ The Company does not have an electric Empire Zone Program and thus does not refer to that program hereafter.

⁵ There are no Con Edison electric customers currently served under EJP.

⁶ WTC customers receive service under Special Provision 8 of the PASNY rate schedule, pursuant to Chapter 383 of the 2001 Laws of New York (the “World Trade Center Law”).

also been amended to indicate that a Customer who has demand served under WTC is not eligible to have Delivery Service for RNY load served under Special Provision H of SC 9.⁷

- Special Provision G of SC 9 has been amended to indicate that customers who receive both RNY and EJP may elect EJP Delivery Service for: (a) the RNY load for a “New Customer” as defined in Special Provision H, or (b) the RNY load above the EJP “Baseline Billing Determinants” for an “Existing Customer” as both terms are defined in Special Provision H. This election must be made in writing before commencement of billing under RNY or under both RNY and EJP. The election is available to customers served under General Rule 11 for RNY only.

Delivery Service will not be provided under RNY and EJP for the same load unless the customer demonstrates to the Company a financial need that meets the requirements for individually negotiated agreements specified in sub-paragraph a) or b) of General Rule 20.7.⁸ A housekeeping change has also been made to Special Provision G to clearly differentiate the treatment of supply and delivery under RNY.

If an RNY Customer elected to receive EJP Delivery Service for RNY load, but is not billed under EJP because the Company did not receive a new Tax Certificate or Tax Certification, the customer will receive RNY Delivery Service for the RNY load unless and until EJP delivery rate reductions are reinstated following receipt of a new Tax Certificate or Tax Certification.

- Special Provision H of SC 9 has been amended to indicate that customers who elect to receive EJP Delivery Service for RNY load must have the RNY load first served under EJP for Delivery Service. In all other cases, load served under General Rule 11, including RNY load, will continue to be served first.

⁷ Customers who receive WTC plus both RNY and EJP will not be permitted to elect EJP Delivery Service for RNY Supply, because the WTC Delivery Service provided to NYPA under the PASNY rate schedule must equal the WTC Supply furnished to the customer by NYPA. An inequality could result if a customer receiving RNY, WTC, plus EJP elected EJP Delivery Service for RNY load. For example, if an existing customer has total load of 1200 kW, an RNY allocation of 900 kW, a WTC allocation of 200kW, and an EJP baseline of 800 kW, the kW of Supply would be allocated as follows: RNY, 900; WTC, 200; and EJP, 100. (Note that RNY would be billed before WTC, as approved by the Commission’s Order dated June 14, 2012, in Case 11-E-0176.) If that customer elected EJP Delivery Service for the RNY Supply, the Supply in kW would be billed as follows: EJP, 400 (for load above the baseline); RNY, 800; and WTC, 0.

⁸ The Company does not offer individually-negotiated contracts in lieu of billing under the applicable Service Classification, except as described in General Rule 20.7. Pursuant to General Rule 20.7, which is applicable to Standby Service, the “Company may enter into individually negotiated agreements for Standby Service with the following: a) Customers who can demonstrate that they can economically isolate from the utility grid, by installing and operating back-up generation at a lower cost than tariffed standby service, and would do so without the negotiated rate alternative; or b) Customers whose premises are currently isolated from the utility grid and rely on existing on-site generating equipment for electric service and would continue to do so without the negotiated rate alternative; or c) Customers who are served by on-site generating equipment having a total nameplate rating of 50 MW or greater, where no less than 90 percent of the site's energy output, net of station power requirements, is sold into the market or to a third party.”

Conclusion

This filing is being made by April 24, 2013, as directed by Ordering Clause 1 of the Order and modified by your letter dated March 25, 2013, which granted a 30-day extension on the filing date. As directed in your letter, this filing is issued to become effective on May 1, 2013. Pursuant to Ordering Clause 5 of the Order, the Commission has waived the requirement for newspaper publication.

Sincerely,

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