



Consolidated Edison Company
of New York, Inc.
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February 1, 2013

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

RE: Rider J – Business Incentive Rate

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”) proposed changes to its Schedule for Electricity Service, P.S.C. No. 10 – Electricity, applicable to its customers in the City of New York and the County of Westchester.

The Company proposes to modify the applicability of the residential-use restriction under Rider J – Business Incentive Rate (“BIR”). It also proposes housekeeping changes to correct the numbering on two Rider J tariff leaves.

The tariff leaves reflecting the proposed changes are identified below and are proposed to become effective on May 20, 2013:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
198	1	0
203	1	0
205	2	1

Background

By the filing of the Memorandum issued in Case 12-E-0177 at the Commission’s session of July 12, 2012, the Commission approved the Company’s tariff filing to specify separate limits on redistribution to residential and non-residential spaces under Service Classification (“SC”) 8 – Multiple Dwellings - Redistribution and SC 9 – General - Large depending on whether the customer receives high-tension or low-tension service. As described in the Memorandum, the Company modified its provision regarding

redistribution under SC 9, when high-tension service is designated,¹ to prohibit redistribution if more than 50 percent of the connected load is used for residential purposes. The Company retained its prohibition in SC 9 against redistribution for residential uses, when low-tension service is provided, if more than 10 percent of the total square foot area is used for residential purposes.

Leaf 193 of the Company's tariff specifies that BIR is applicable "[t]o non-governmental Customers eligible for service under SC 9 and meeting the requirements of this Rider." Leaf 205 states that BIR is not available "to a building or premises where 25 percent or more of the square footage of the premises is used on a permanent basis for residential purposes, unless the residential space is separately metered" (the "residential-use ceiling").²

The residential-use ceiling has prevented a not-for-profit institution, for which high-tension service was designated, from receiving BIR for the space at its premises that will be used for biomedical research. Because of the composition of mixed residential and non-residential uses planned at the location, less than 50 percent of the connected load, but more than 25 percent of the square footage of the premises, will be used on a permanent basis for residential purposes, and such space will not be separately metered.³ Con Edison proposes to amend its BIR rider to permit this customer and similarly situated customers who take service under SC 9 as a result of the revised SC 9 redistribution provision related to high-tension service to apply for BIR if they are otherwise eligible for BIR.

Tariff Changes Proposed

Con Edison proposes to remove the 25 percent residential-use ceiling for allocations of BIR only where the customer receives high-tension service and applies for BIR as a Biomedical Research Customer. The residential-use ceiling should not be required where BIR is allocated to a Biomedical Research Customer, because the portion of the space that is residential, even if not separately metered, is excluded from the BIR allocation. (Leaf 193)

The Company also proposes two housekeeping changes to correct numbering errors on Leaf 198 and Leaf 203. On Leaf 198, "(B) - Applicability" and "(3) - Scope of Program" have been relabeled "(A) - Applicability" and "(2) - Scope of Program." On Leaf 203, "(B) - Applicability" has been relabeled "(A) - Applicability."

¹ "High tension service may be designated by the Company for service when warranted by the magnitude or location of the load, or other physical conditions, or when it would result in the least cost to the Company." (Leaf 31)

² The requirement for separate metering of residential space allows for the application of BIR to only those portions of the premises that are non-residential in nature and support economic development.

³ Since the service will be provided to the customer from the Company's primary distribution system at high-tension through a single metering station, the residential and non-residential uses cannot be separately metered by the utility. Separate metering of the residential portion of the premises is not possible without the customer's incurring additional costs to obtain a second service from the Company's secondary distribution system.

Conclusion and Notice

This tariff filing has a proposed effective date of May 20, 2013. The Company requests waiver of newspaper publication, because this filing does not propose to change the BIR rate reductions or the megawatts allocated either generally to BIR or specifically to Biomedical Research Customers.

On January 29, 2013, the Commission issued an order suspending the operation of the amendments submitted by the Company in Case 13-E-0030. 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.

Respectfully submitted,
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

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

cc: Parties to Case 09-E-0428 (electronically)