



Consolidated Edison Company
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April 22, 2014

Kathleen H. Burgess
Secretary
New York State Department
of Public Service
3 Empire State Plaza, 19th Floor
Albany, New York 12223

RE: Electric Rider P – Purchases of Installed Capacity

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) is filing with the Public Service 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 August 18, 2014:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
235	1	0
236	2	1

Background

The Company’s existing Electric Tariff’s Rider P – Purchases of Installed Capacity indicates that customers will be paid for capacity based on the price per kW per month shown on the NYISO website under “Installed Capacity: View Strip Auction Summary” for the applicable Capability Period of the auction year. It further indicates that separate capacity rates apply for New York City (i.e., capacity located within the New York City electrical boundaries) and for the balance of the Company’s service territory (shown on the NYISO website as “ROS” or “rest of state”). Rider P also specifies that the Baseline Service Level will be determined using the average maximum monthly one-hour integrated demand.

Tariff Changes

The Company has made housekeeping changes to Rider P. The changes are described below:

- On Leaf 235, the definition of “Baseline Service Level” reflected an old methodology used by the NYISO for setting a Special Case Resources baseline. (The NYISO’s Average Peak Monthly Demand was replaced by the Average Coincident Load methodology.) To avoid having to make tariff changes each time the NYISO makes a change, the Company has revised the definition of “Baseline Service Level” to indicate that it is the baseline kilowatt demand level as determined using the NYISO’s methodology for setting a Special Case Resources baseline.
- On Leaf 236, the Tariff indicates that the payment amount is equal to the applicable payment rate per kilowatt of demand for the month multiplied by the Installed Capacity Level. “Installed Capacity Level” has been changed to “Unforced Capacity Availability” to reflect the fact that payment is based on the Installed Capacity Level adjusted for past performance.
- On Leaf 236, where the Tariff describes how the capacity rates are shown on the NYISO’s website for the Company’s service territory outside New York City, “ROS” was replaced with “G-J Locality.” The NYISO has created a new capacity zone that covers Zones G, H, I and J,¹ that will become effective starting on May 1, 2014 (*i.e.*, the start of the Summer capability period for 2014). Due to this change, the NYISO website continues to show a separate price for New York City, but the price applicable to the rest of the Company’s service area is now shown on the NYISO website as “G-J Locality,” rather than “ROS.” No other changes are required to the Tariff for the new capacity zone.²

Conclusion and Notice

This filing is proposed to become effective on August 18, 2014. Because there are no customers currently enrolled in the NYISO’s Special Case Resources program through the Company under Rider P, no customers will be affected by these changes. The Company, thus, requests waiver of the requirement for newspaper publication.

Very truly yours,
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

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

¹ The Company’s service area includes most of NYISO Zone H (upper Westchester), Zone I (Westchester near or below U.S. Route 287), and Zone J (New York City).

² NYISO capacity zones are referenced in the Tariff’s General Rules 25.1 and 25.2.1. Those Rules indicate that payments for capacity are determined separately for New York City and the combined Westchester NYISO zones.