



Consolidated Edison Company
of New York, Inc.
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January 31, 2017

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

RE: Case 16-E-0060 and Case 16-E-0196, Con Edison's Electric Rate Case

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. ("Con Edison") is filing with the Public Service Commission (the "Commission") amendments to its Schedule for Electricity Service, P.S.C. No. 10 – Electricity (the "Electric Tariff"), applicable to its customers in the City of New York and the County of Westchester. The Company is also filing amendments to its Schedule for PASNY Delivery Service, P.S.C. No. 12 – Electricity (the "PASNY Tariff"),¹ applicable to delivery by the Company of power and associated energy to Authority Public Customers under the PASNY Tariff.

The Company's schedule leaves are issued with an effective date of February 1, 2017. The specific Electric Tariff leaves, tariff addendum, and statements being revised are identified in Appendix A. The specific PASNY Tariff leaves and statements being revised are identified in Appendix B.

Reason for Filing

The Commission's Order Approving Electric and Gas Rate Plans, issued and effective January 25, 2017, in Cases 16-E-0060, 16-G-0061, and 16-E-0196 (the "Order"), adopted the Joint Proposal ("JP") as set forth in Attachment A to the Order.

The Order provides for a three-year electric rate plan in which Rate Years ("RY") 1, 2, and 3 are the twelve-month periods commencing January 1, 2017, January 1, 2018, and January

¹ This schedule is also titled, "Delivery Service Rate Schedule Implementing and Part of the Service Agreement Between the Power Authority of the State of New York ("PASNY" or "NYPA") and Consolidated Edison Company of New York, Inc. (the "Company"), dated March 10, 1989, for the Delivery by the Company of Power and Associated Energy to Authority Public Customers."

1, 2019, respectively. Under the rate plan, the electric delivery service revenue requirement, including the fixed component of the Monthly Adjustment Clause (“MAC”), will be increased on an annual basis, including gross receipts tax, by \$194.554 million starting in RY1,² an additional \$155.315 million starting in RY2, and an additional \$155.206 million starting in RY3. To provide rate stability over the term of the electric rate plan, the revenue requirement increase plus the \$47.776 million increase approved by the 2015 Rate Case Order will be implemented on a levelized basis, which includes interest. The annual levelized revenue changes associated with Transmission and Distribution (“T&D”) delivery revenue, the retained generation component of the MAC, and purchased power working capital will be \$199.034 million, or \$193.959 million exclusive of gross receipts tax, in each RY.³ For RY1, the increase, after excluding gross receipts tax, results in overall increases of \$167.206 million to customers served under the Electric Tariff and \$26.753 million to customers served under the PASNY Tariff.

Revenue Allocation and Rate Design

Revenue Allocation

The revenue allocation is described in Appendix 19 of the JP. Table 2 of Appendix 19 summarizes the changes in delivery revenues by Service Classification (“SC”), including the components of the revenue changes. Table 2a of Appendix 19 shows the overall impacts (e.g., including additional MAC changes and PASNY surcharges to collect the customers’ share of incentives earned by the Company under Earning Adjustment Mechanisms) by SC.

The percentage change in revenues and bill changes for the Con Edison SCs are shown in Appendix C. The percentage change in revenues for NYPA is shown in Appendix D.

Rate Design

Appendix 19 of the JP describes the rate design process, for which major items are summarized below:

- Customer charges were not changed, except as follows: (a) the customer charge for SC 1 Rate I customers enrolled in the low-income program was set \$10.00 lower than the otherwise applicable customer charge;⁴ (b) the SC 2 customer charge was reduced by \$4.41

² The electric revenue increase of \$194.554 million in RY 1 is in addition to the \$47.776 million increase in electric delivery service revenues established by the Commission’s Order Adopting Terms of Joint Proposal to Extend Electric Rate Plan (“2015 Rate Case Order”), issued June 19, 2015, in Cases 15-E-0050 and 13-E-0030, resulting in a total increase of \$242.330 million.

³ The annual levelized rate changes would result in higher base rates at the end of the three-year term of the Electric Rate Plan than they would otherwise be under a non-levelized approach. Accordingly, if the Company does not file for new rates to be effective January 1, 2020, the Company will make a compliance filing by December 1, 2019 to set rates effective January 1, 2020 at a level that is designed to produce delivery base rate revenues on an annual basis that are lower by \$44.25 million and reduce the Revenue Decoupling Mechanism (“RDM”) target by that amount effective January 1, 2020.

⁴ Due to the one-month gap between the effective date of the tariff changes (February 2017) and the effective date of

for customers furnished with unmetered service;⁵ (c) the applicability of the SC 2 reduced customer charge, pursuant to Special Provision D of SC 2, was expanded;⁶ and (d) customer charges for customers served under SCs 5, 8, 9, 12, and 13 Standby Service rates were set at the customer costs determined in the 2013 embedded cost-of-service study, which result in changes (increases or decreases) from current levels.

- A new Special Provision F in SC 1 was established to allow customers with separately metered plug-in electric vehicle (“PEV”) chargers to take service solely for PEV charging under a separate account billed under the Rate III voluntary time-of-use (“VTOU”) rate. Special Provision F will apply to customers with existing SC 1 accounts and to residential tenants or residential occupants in buildings served under another SC.
- Demand and energy charges were redesigned in some SCs, as follows: (a) five percent of usage revenues were moved into demand revenues for Rate I of SCs 5, 8, 9 and 12; and (b) the high/low tension differential (i.e., annualized high/low tension rates compared to high/low tension costs based on the 2013 embedded cost-of-service study) was adjusted for Rate I of SCs 5 and 12, Rate II of SCs 8 and 12, and NYPA rates, as shown in Table 3 of Appendix 19. These changes were revenue neutral to the January 1, 2016 rate level and made before adjusting delivery rates to reflect the RY changes.
- The current Billing and Payment Processing Charge of \$1.20 per bill did not change.
- The reactive power demand charge was set at \$1.97 under both the Electric Tariff and the PASNY Tariff.

the low-income program changes (January 2017), Special Provision G was added to SC 1 to indicate that one-time bill credits will be issued during the March cycle billing month as follows: (a) \$10.00 to customers newly enrolled in the low-income program as a result of the Company’s reconciliation with social service agencies in the fourth quarter of 2016 (to credit them for the January low-income customer charge reduction that they did not previously receive); and (b) \$0.50 to customers whose continued eligibility for the low-income program was confirmed in the fourth-quarter 2016 agency reconciliation (to credit them for the difference between the \$9.50 low-income customer charge reduction that they received in January and the \$10.00 for which they were eligible).

⁵ Due to the one-month gap between the effective date of the tariff changes and the effective date of the \$4.41 reduction in the customer charge for SC 2 unmetered-service accounts, Special Provision E was added to SC 2 to indicate that each SC 2 unmetered-service account will receive a one-time credit of \$4.41 during the March 2017 cycle billing month.

⁶ Special Provision D of SC 2 provides for a 50-percent reduction in the customer charge to customers who use electric service at 100 or more locations where electric service is unmetered for use of radio transceivers using less than 30 kilowatthours per month and located on street lights or utility distribution poles. This Special Provision was modified to reduce the minimum number to locations of 40 or more. It was further modified to expand eligibility for use of devices at other unmetered locations that provide free Wi-Fi services to the public, subject to the above requirements for maximum monthly kilowatthours and minimum number of locations. In addition, the Company clarified that the 50-percent customer charge reduction is to be applied to the customer charge for metered service, because customers are not entitled to reductions under this provision in conjunction with the reduced customer charge for unmetered locations.

Other Tariff Changes

Tariff changes were made in accordance with the Order. Changes to the Electric Tariff are detailed in Appendix E, and changes to the PASNY Tariff are detailed in Appendix F to this filing letter. Major changes are described below:

- Low-income Program: (a) The SC 1 Rate I low-income program was expanded to customers receiving Medicaid; (b) the low-income reconnection fee waiver program will continue in each RY until the target cost of \$547,000 is reached in that RY; and (c) the difference between low-income program costs in rates and actual low-income program costs will continue to be reconciled through the RDM applicable to Con Edison customers and to NYPA.
- Business Incentive Rates (“BIR” or Rider J): (a) Percentage rate reductions were established for customers commencing service under BIR on or after February 1, 2017; (b) BIR for Biomedical Research was increased by 20 MW to a total of 80 MW;⁷ (c) BIR for Business Incubators and Business Incubator Graduates was reinstated as of February 1, 2017, with a total of 10 MW allocated to applicants in New York City and 2 MW to applicants in Westchester County;⁸ (d) the START-UP NY Program was added as a qualifying program under the BIR “comprehensive package of economic incentives,” provided the BIR allocation does not extend beyond the period of the customer’s participation in the START-UP NY Program; (e) a definition of “retail establishments” ineligible for BIR was added, including examples; (f) the application period for BIR was modified to indicate that it will continue until one day before expiration of the most recent rate plan, or, if the rate plan’s terms and conditions continue beyond that date, until base rates are reset; and (g) Sandy BIR and World Trade Center BIR were deleted, because they are no longer in effect.
- Excelsior Jobs Program (“EJP”) - SC 9, Special Provision H: Percentage rate reductions were established, equal to those established under BIR, for customers commencing service under EJP on or after February 1, 2017.
- Standby Service: Multiple changes were made⁹ as described below:

The “Designated Technologies” exemption from Standby Service rates (General Rule 20.3.2) was modified to (a) expand Designated Technologies to include battery storage with inverter capacity up to 1 MW and (b) require that customers newly seeking the Designated Technologies exemption meet more stringent NOx emissions requirements.

⁷ The additional 20 MW for Biomedical Research was transferred from the New York City Comprehensive Package.

⁸ Of the 12 MW allocated to Business Incubators and Business Incubator Graduates, 10 MW was transferred from the New York City Comprehensive Package and 2 MW from the Westchester Comprehensive Package.

⁹ Standby Service provisions of the Electric Tariff are applicable to service under the PASNY Tariff unless explicitly excluded or modified under the PASNY Tariff.

Customers With Designated Technologies exempt from billing under Standby Service rates may request a one-time reduction of the Contract Demand used to determine the Minimum Monthly Charge under non-Standby Service rates (General Rule 10.10 and PASNY Tariff Leaf 12), after the generator commences operation, equal to the nameplate rating of the generation equipment.

For customers billed under Standby Service rates, Standby Performance Credits (General Rule 20.5.3) will no longer be available starting with the summer 2017 measurement period and will be replaced by Standby Reliability Credits (new General Rule 20.5.4 and PASNY Tariff Leaf 17.2).

Standby Service customers who are required to pay interconnection costs will have the option to pay a nonrefundable lump sum charge, instead of annual surcharges, to cover operation and maintenance expenses and property taxes associated with those costs (General Rule 20.2.1(A)(2)).

Targeted exemptions from Standby Service rates (new General Rule 20.3.3) will be available for up to ten years to customers who newly install or expand efficient combined heat and power (“CHP”) generation facilities with an aggregated capacity of 1 MW or greater and customers who newly install battery energy storage of no less than 50 kW. Eligible customers must have an Output Meter¹⁰ and meet other requirements set forth in General Rule 20.3.3 and new General Rule 20.3.4. For example, as determined by the collaborative that was established in Case 16-E-0060 pursuant to Appendix 20 of the JP, the CHP facilities of customers that receive targeted exemptions must be designed to meet certain NOx emissions standards, which are based on generator size, if located in zip codes specified in General Rule 20.3.4, or they must be designed to meet maximum NOx emissions of 1.6 lbs/MWh if located in zip codes not listed in that General Rule; in addition, all customers who receive targeted exemptions must provide information to the Secretary of the Public Service Commission and may be prohibited from continuing to participate under General Rule 20.3.3 if the Department of Public Service notifies the Company that the customer failed to do so.

A “multi-party offset” provision was added to General Rule 20.2.1(B)(8) to permit a customer to use the output of its private generating facility to serve its own account(s) and the accounts of other customers in the same building or in multiple buildings in which each customer is connected to the generating facility by a private thermal loop that delivers steam, hot water, or chilled water. To participate under the multi-party offset provision, certain conditions must be met, including, but not limited to, the following requirements: (a) the generating facility must be connected to the Company’s high-tension distribution system, and at least one of the Standby Service accounts must be connected to the Company’s low-

¹⁰ An Output Meter measures the output of the CHP generating facility’s output and/or the charging usage and discharge output of the battery storage facility, as applicable, using Commission-approved, revenue grade, interval metering with telecommunications capability, that is compatible with the Company’s metering infrastructure, including compatibility with the Company’s meter reading systems and meter communication systems.

tension distribution system; (b) all of the accounts receiving the generator's supply must be billed under Standby Service rates; (c) the export of the generating facility must be separately metered using an Output Meter; and (d) at least one of the Standby Service account(s) must be established in the name of the owner or operator of the generating facility and have a Contract Demand equal to 10 percent or more of the nameplate rating of the generating facility. Changes were also made to PASNY Tariff Leaf 17.1 and 17.1.1 f.

- SC 11 - Buy-back Service: Export-only customers may apply for optional bill credits pursuant to new Special Provision I of SC 11. As determined by the collaborative that was established in Case 16-E-0060 pursuant to Appendix 20 of the JP, new and expanding generation facilities applying for optional bill credits in certain zip codes must be designed to meet the same NOx emissions ratings required of generation facilities served under new General Rule 20.3.4; generation facilities located in zip codes not specified in General Rule 20.3.4 and generation facilities served under SC 11 as of January 1, 2017, must be designed to meet maximum NOx emissions of 1.6 Mlb/hour.
- Service Application – Residential Identification: The application for service was amended to indicate that the Individual Taxpayer Identification Number (“ITIN”) and New York City Identification Card (“IDNYC”) are acceptable forms of identification for residential service applications, in addition to the currently-accepted forms of identification.
- Aggregated Whole Building Data: There will be no charge for requests for building-level data, provided in aggregated form, which cover the lesser of 24 months or the months of data in the Company's database of current customers (General Rule 17.5). The charge was previously \$102.50 per request.
- Continuity of Supply: Compensation for actual losses due to power failures attributable to malfunctions in the Company's lines was increased under General Rule 21.1. For residential customers, compensation will be payable for actual losses of food spoiled due to lack of refrigeration of up to \$225 upon submission of an itemized list and up to \$515 upon submission of an itemized list and proof of loss. For commercial customers, compensation will be payable for actual losses of perishable merchandise spoiled due to lack of refrigeration of up to \$10,200 upon submission of an itemized list and proof of loss.
- Space for Transforming Apparatus: General Rule 5.6.1, “Space for Transforming Apparatus,” was modified to: (a) clarify cost responsibility depending on whether the customer provides a suitable space for transformers and associated equipment that the Company considers necessary for adequate supply to the customer or the customer's premises, and (b) indicate that space for non-submersible transformer enclosures must be elevated above ground if the enclosures are located in a 100-year flood zone established by the Federal Energy Management Agency, plus an additional three feet of flooding along the horizontal plane.
- MAC Components and PASNY Surcharge: The MAC of the Electric Tariff and the Statement of Other Charges and Adjustments (“OTH Statement”) of the PASNY Tariff will

collect the following new components: Standby Reliability Credits; electric customers' share of incentives earned by the Company under Earning Adjustment Mechanisms, to be collected in equal increments over a 12-month period; consultant costs to develop and apply a marginal cost study approach; electric customers' share of costs for a Climate Change Vulnerability study; costs for implementation of Non-Wires Alternatives ("NWA") (adjusted for the carrying charge of any displaced capital project reflected in the Average Electric Plant in Service Balance that would otherwise be deferred for customer benefit), plus NWA incentives earned by the Company; and bill credits provided to export-only Customers pursuant to Special Provision I of SC 11. A portion of costs allocated to electric customers will be allocated to NYPA.¹¹ The balance of such costs will be collected through the MAC.

- Uncollectible Bill ("UB") Factor Associated with the Market Supply Charge ("MSC") and MAC: UB associated with the MSC and UB associated with the MAC will each be reconciled to a system UB factor of 0.69 percent. (The residential MSC UB factor was set at 1.09 percent, and the non-residential UB factor was set at 0.41 percent.)
- "Make Whole": The Delivery Revenue Surcharge will collect shortfalls in Allowed Pure Base Revenue (i.e., non-competitive delivery service revenue) that result from extension of the Case 16-E-0060 suspension period, plus interest at the Company's Other Customer Capital rate, over 11 months commencing February 1, 2017.¹² The unit amount to be collected from retail customers will be shown per SC on the Statement of Delivery Revenue Surcharge ("SDR Statement") to the Electric Tariff. Any difference between amounts required to be collected and actual amounts collected will be charged or credited to customers over a reasonable period after December 31, 2017. The monetary amount of the Surcharge to be collected from NYPA will be shown on the SDR Statement to the PASNY Tariff. UB expense over- or under-collections associated with the MSC and MAC due to the extension of the Case 16-E-0060 suspension period will be reconciled and recovered through the Adjustment Factor - MAC and the Merchant Function Charge.
- The "Temporary Rate Adjustment" was deleted from General Rule 26.8 of the Electric Tariff and the "Common Charges and Credits" of the PASNY Tariff, because it is no longer applicable under the new rate plan. A revised Statement of Temporary Rate Adjustment ("STRA Statement") to the Electric Tariff and a revised STRA Statement to the PASNY Tariff are being filed to indicate that the statements are canceled as of February 1, 2017.

¹¹ Standby Reliability Credits provided to PASNY Customers will be recovered from NYPA based on the actual credits provided. Costs of studies, NWAs, and bill credits to export-only customers will be recovered from NYPA based on the PASNY Allocation (i.e., the ratio of forecasted RY delivery revenues under the PASNY Tariff to total forecasted RY delivery revenues under both the Electric Tariff and the PASNY Tariff in effect at the start of the cost recovery period). EAMs will be collected from NYPA as follows: five percent of electric customers' share of incentives earned under the Program-Achievement based EAM associated with the System Peak Reduction Program targets; zero percent of the Program-Achievement based EAM associated with Energy Efficiency targets; and a pro rata portion of electric customers' share of incentives earned under all other EAMs, based on the PASNY Allocation.

¹² Competitive services' revenue shortfalls associated with the extension of the Case 16-E-0060 suspension period will be reconciled and recovered through the Transition Adjustment.

- RDM: Changes are as described below:

Allowed pure base revenues by SC in the Electric Tariff and the PASNY Tariff¹³ are shown for the period February through December 2017 and for Rate Year 2 and Rate Year 3 based on the Case 16-E-0060 revenue targets identified in Appendix 4 of the JP. Allowed revenues are also shown for January 2017 based on Case 13-E-0030 revenue targets. Any shortfall for January 2017 due to extension of the Case 16-E-0060 suspension period will be recovered through the Delivery Revenue Surcharge.

Starting with January 2017 allowed pure base revenues, any monthly under/over collection of allowed pure base revenues under the PASNY Tariff will be allocated between NYPA and Kennedy International Airport Cogeneration Partners (“KIAC”) based on the ratio for the month of their respective actual pure base revenue to total combined NYPA and KIAC pure base revenue. The allocated monthly over/under collections will be accumulated during each RDM reconciliation period and used to calculate separate RDM Adjustments for NYPA and KIAC.

- PJM Interconnection L.L.C.’s (“PJM”) Open Access Transmission Tariff (“OATT”): Annual charges for PJM OATT rates and charges associated with the 1,000 MW firm transmission service will continue to be capped at \$4.6 million under the PASNY Tariff.¹⁴ If costs are incurred for less than a full rate year, the \$4.6 million annual cap will be prorated for the partial rate year.
- Public Street Lighting: The PASNY Tariff was modified to indicate that certain public street lighting uses, such as traffic detectors, red light cameras, and municipal parking meters, are types of traffic control signals.

Statements

The current filing includes the following Statements to the Electric Tariff: Statement of Delivery Revenue Surcharge – SDR Statement No. 4 and STRA Statement – STRA No. 4. The filing also includes the following Statements to the PASNY Tariff: Statement of Delivery Revenue Surcharge – SDR Statement No. 3 and STRA – PASNY No. 4.

Conclusion and Notice

As directed by Ordering Clause 3 of the Order, the Company has filed its tariff amendments to take effect on a temporary basis, on one day’s notice, effective February 1, 2017.

¹³ NYPA is considered to be a single SC for purposes of determining allowed revenues.

¹⁴ PJM OATT charges are allocated between the Electric Tariff and the PASNY Tariff. Charges to be collected from NYPA under the PASNY Tariff are shown on the OTH Statement.

As directed by Ordering Clause 4, the Company is serving copies of this filing electronically upon all parties to this proceeding.

As directed by Ordering Clause 6, the Company will file proof of newspaper publication within six weeks of the effective date of the tariff amendments.

Sincerely,

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

Appendix A

PSC No. 10 - Electricity: List of Tariff Leaves, Addendum, and Statements Filed

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>	<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>	<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
16	4	2	181	8	5	398	8	5
56	3	0	192	8	5	402	2	1
91	4	3	193	4	1	406	8	5
92	2	0	195	3	1	408	8	5
93	2	0	196	4	1	409	8	5
94	3	1	197	3	1	410	8	5
95	7	4	198	4	2	416	8	5
119	7	5	199	4	1	419	3	1
121	5	2	200	4	1	432	8	5
122	5	2	201	5	2	435	8	5
126	5	2	217	1	0	437	8	5
128	2	1	245	7	5	438	8	5
134	1	0	250	4	3	439	8	5
136	3	0	333	2	0	445	9	6
139	3	0	335	2	0	446	10	8
142	3	0	336	6	3	449	8	5
152	3	2	337	6	5	451	8	5
154	5	4	343.1	6	4	452	8	5
155	1	0	344	5	2	452.1	5	2
157.1	3	1	351	15	13	453	8	5
157.1.1	1		352	5	2	453.1	5	2
157.2	4	2	358	5	2	459.0.1	2	1
157.3	4	2	359	9	8	459.3	4	3
157.4	8	5	361	2	1	459.4	5	2
160	1	0	366	2	1	463	8	5
162	3	2	368	3	1	470	2	1
162.1	0		373.1	3	0	477	2	1
162.2	0		384	6	5	477.1	0	
162.3	0		384.1	0		479	8	5
162.4	0		385	5	3	480	8	5
164	5	4	386	3	2	483	8	5
165	1	0	386.1	0		485	8	5
166	1	0	387	3	1	486	8	5
167	5	4	388	9	6	487	8	5
167.1	2	0	389	8	5	488	8	5
170	2	1	389.1	5	2	495	8	5
171	5	2	395	7	4	496	8	5
177	9	7	397	9	6			

Addendum
Individually Negotiated Contracts

Addendum Type
NEG

Addendum No.
4

Statement
Statement of Temporary Rate Adjustment
Statement of Delivery Revenue Surcharge

Statement Type
STRA
SDR

Statement No.
4
4

Appendix B

PSC No. 12 - Electricity: List of PASNY Tariff leaves and Statements Filed

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
4	8	5
5	8	5
6	8	5
7	8	5
8	8	5
9	8	5
10	10	9
12	1	0
14	10	7
17.1	3	1
17.1.1	1	
17.2	4	3
21	3	2
22	10	8
25	4	1
26	5	3
26.1	5	3
26.2	0	
27	3	0
29	3	0

<u>Statement</u>	<u>Statement Type</u>	<u>Statement No.</u>
Statement of Temporary Rate Adjustment	STRA-PASNY	4
Statement of Delivery Revenue Surcharge	SDR	3

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 Estimated Effect on Con Edison Conventional and TOD Customers' Bills and Revenue
 Resulting from the Application of Proposed Conventional and TOD Rates and Charges
 Based on Sales and Revenues for the Twelve Months Ended December 31, 2013
 Case 16-E-0060

Con Edison Service Classification - Conventional Rates		Total Revenues * @ January 2016 Rates	Total Revenues * @ January 2017 Rates	Estimated Change @ January 2017 Rates	Percentage Change	Estimated Number of Customers' Bills ***		
						Increased	Decreased	Unchanged
1 - Rate I **	Residential & Religious	\$3,444,169,164	\$3,526,050,910	\$81,881,746	2.38%	34,290,359	385,344	121,324
2	General - Small	570,505,508	585,766,509	15,261,001	2.67%	4,172,579	0	134,044
5 - Rate I	Electric Traction Systems	168,712	172,497	3,785	2.24%	120	0	0
6	Public & Private Street Lighting	2,860,883	2,838,439	-22,444	-0.78%	0	10,523	30,741
8 - Rate I	Multiple Dwellings - Redistribution	328,479,290	334,071,589	5,592,299	1.70%	22,301	6	0
9 - Rate I	General - Large	3,246,602,630	3,294,010,457	47,407,827	1.46%	1,556,749	4,041	695
12 - Rate I	Multiple Dwelling - Space Heating	<u>30,416,384</u>	<u>31,014,153</u>	<u>597,769</u>	1.97%	<u>5,214</u>	<u>0</u>	<u>116</u>
Sub-Total	Con Edison's Conventional Rates	\$7,623,202,571	\$7,773,924,554	\$150,721,983	1.98%	40,047,322	399,914	286,920
Con Edison Service Classification - Time-of-Day Rates								
1 - Rate II	Residential & Religious	\$15,528,880	\$15,815,193	\$286,313	1.84%	22,840	375	30
2 - Rate II	General - Small	1,549,978	1,601,325	51,347	3.31%	3,876	35	12
5 - Rate II	Electric Traction Systems	14,852,824	14,909,168	56,344	0.38%	55	5	0
8 - Rate II	Multiple Dwellings - Redistribution	23,220,594	23,603,868	383,274	1.65%	228	0	0
8 - Rate III	Multiple Dwellings - Redistribution - Voluntary	11,209,604	11,377,773	168,169	1.50%	536	3	0
9 - Rate II	General - Large	1,544,584,594	1,547,377,926	2,793,332	0.18%	5,130	3,061	9
9 - Rate III	General - Large - Voluntary	206,248,391	207,343,807	1,095,416	0.53%	21,584	3,251	1,542
12 - Rate II	Multiple Dwelling - Space Heating	40,565,355	41,023,613	458,258	1.13%	332	5	0
13 - Rate II	Bulk Power - High Tension - Housing Developments	<u>4,040,723</u>	<u>4,123,698</u>	<u>82,975</u>	2.05%	<u>10</u>	<u>1</u>	<u>1</u>
Sub-Total	Con Edison's Time-of-Day Rates	\$1,861,800,943	\$1,867,176,371	\$5,375,428	0.29%	54,591	6,736	1,594
Con Edison Total	Con Edison's Total Excluding Special Contract	\$9,485,003,514	\$9,641,100,925	\$156,097,411	1.65%	40,101,913	406,650	288,514

* Total Revenues for all customers include: T&D delivery charge and estimated market supply charge, monthly adjustment clause, system benefits/renewable portfolio standard program charges, the surcharge to collect Public Service Law, Section 18-a Assessments, and the associated gross receipts taxes. Total revenues at January 2016 rate level includes temporary credit of \$47.776 M. The market supply charge revenues for retail access customers are equivalent to what these customers would have paid as full service customers.

** Total Revenues in Service Classification No. 1 include customers currently served under Rider D. Total Revenues in SC 1 include \$48.00 million of low income program credits at January 2016 Rates (i.e., \$47.50 million of low income and \$500,000 for waived reconnection fees) and \$55.247 million of low income program credits at January 2017 Rates (i.e., \$54.7 million of low income and \$547,000 for waived reconnection fees).

*** The change in Con Edison P.S.C. No. 10 revenues for the rate year, i.e., the twelve months ending December 31, 2017, equates to \$155.5 million, or an overall increase of 1.7%.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Estimated Effect on NYPA Delivery Service Conventional and TOD Revenue Resulting from the Application of
Proposed Conventional and TOD Rates and Charges Based on Sales and Revenues For the 12 Months Ended December 31, 2013
Case 16-E-0060

	Total Revenue @ January 2016 Rates*	Total Revenue @ January 2017 Rates**	Estimated Change @ January 2017 Rates	Percentage Change
NYPA Delivery Service				
NYPA Total	\$1,305,646,060	\$1,332,469,713	\$26,823,653	2.05%

* Total Revenues include delivery service revenues, estimated supply revenues and the surcharge to collect Public Service Law, Section 18-a Assessments associated with customers billed under the PASNY Delivery Service - P.S.C. No. 12 tariff.

** Total Revenues include delivery service revenues, estimated supply revenues, estimated NYPA portion of the "EAM" incentive costs and the surcharge to collect Public Service Law, Section 18-a Assessments associated with customers billed under the PASNY Delivery Service - P.S.C. No. 12 tariff.

*** Based on sales and revenues for the rate year, i.e., the twelve months ending December 31, 2017, such increase in NYPA Delivery Service revenue equates to \$27.6 million or an overall increase of 2.1%.

Description of Changes to the Electric Tariff

	<u>Leaf #s</u>	<u>JP Section</u>	<u>Reason for Filing</u>
<u>Rate leaves</u>			
Rider D	181		Update rates
Rider I	192		Update rates
SC 1	388	App. 19	Rate I
"	"	N.2, N.3	Rate I low-income customer charge (\$10.00 reduction in the full charge)
	389	App. 19	Rate II - VTOU rates (grandfathered customers) including Special Provision D
	389.1	App. 19	Rate III - VTOU. This is also applicable to Special Provision F customers.
SC 2	397	App. 19	Rate I
"	"	G.3	Rate I customer charge for unmetered service accounts (\$4.41 reduction in the full charge) unless billed under Special Provision D
	398	App. 19	Rate II
SC 5	406, 408, 409, 410	App. 19	Rates I, II, III, and IV
SC 6	416	App. 19	
SC 8	432, 435, 437, 438, 439	App. 19	Rates I, II, III, IV and V
SC 9	445, 449, 451	App. 19	Rates I, II and III
	452, 452.1, 453, 453.1	App. 19	Rates IV and V, inc. station use
SC 11	463	App. 19	Rates
SC 12	479, 480, 483	App. 19	Rates I and II
	485, 486, 487, 488	App. 19	Rates III, IV and V
SC 13	495, 496	App. 19	Rates I and II
	495	G.8(k)	Clarify that the minimum charge for Rate I is based on the period Monday through Friday, 8 AM to 10 PM.
reactive charges	95	App. 19	Increase the charge per kVar to \$1.97 from \$1.41.
communications credit - standby offset	157.4	App. 19	
<u>Plug-in Electric Vehicle ("PEV") Charging</u>			
SC 1 Applicability	387	G.4	Permit service under Rate III for the sole purpose of plug-in electric vehicle charging, pursuant to Special Provision F.
		G.4	
SC 1 - new Special Provision F (PEV Charging)	395		Permit service under Rate III for stand-alone PEV charging. (New Special Provision F replaces obsolete Special Provision F re. 8/2014 low income credits.)
SC 1 Rate III Applicability	389.1	G.4	Because residential EV charging that is separately metered will be eligible for this Rate or nonresidential rates, change: "A Customer who elects to transfer from Rate III to Rate I will be ineligible for billing under Rate III for a period of one and one-half years from the commencement of billing under Rate I." TO: "A Customer who elects to transfer from Rate III to another Rate will be ineligible for billing under this Rate for a period of one and one-half years from the date of such transfer."
<u>MSC, MAC, and MFC</u>			
MFC Uncollectible-bill Expense	336		Update UB factors: 0.0069 system, 0.0109 residential, and 0.0041 other. Eliminate obsolete text about true-ups for pre-1/2014 periods.
MAC Uncollectible-bill Expense	344		Update system UB factor: 0.0069. Eliminate obsolete text about true-ups for pre-1/2014 periods.
Adjustment Factor - MSC II	333	G.8(i)	Eliminate "financial" from (b)(ii), which describes hedges.
MFC components	335	G.8(h)	State the per-kWhr supply-related charge and credit and collection-related charge that will be in effect by SC for RY1, RY2, and RY3.
MAC cost components	343.1	B.1.a, J.1, J.2,M.3, O.6, O.2, D.1.c, G.6.d G.6.c(iii) D.15	Add new components 46 through 49 to collect: EAM incentives; costs associated with Climate Change Vulnerability study and a Marginal Cost study; costs to implement Non-Wires Alternatives; and recovery of SC 11 Optional Bill Credits -- less costs collected under the PASNY tariff. Revise component 44 to recover Standby Reliability Credits provided to customers served under this tariff. Change components 43 and 45 to reflect movement to base rates of costs related to BQDM and REV demo projects.
<u>Standby Service and Buy-back Service</u>			
Definition of Output Meter	16	G.6.d & App. 20	Move here from General Rule 20.5.3, because it is applicable to both General Rule 20 (CHP over 1 MW and 10-year exemption) and SC 11 optional bill credits.
Minimum Monthly Charge ("MMC")	91	G.6.a	Permit customers exempt from standby service rates to request a one-time reset of the contract demand used to determine whether the MMC is applicable.
Interconnection costs (carrying charges)	154, 155	G.6.f	Offer standby service customers the option to make a lump-sum payment instead of paying annual surcharges.
"Designated Technologies" exemptions	162, 384, 385, 386, 386.1	G.6.b(i)	Add battery storage with inverter capacity up to 1 MW. Move the requirement for an Output Meter to new Rule 20.3.4.
		G.6.b(ii)	Spell out Efficient CHP requirements per the 1/23/2004 Order in Case 02-E-0781, revised for the lower NOx emissions level established in Case 16-E-0060.
10-Year Targeted Exemptions	162.1, 162.2, 162.3, 162.4, 384, 386	G.6.h & App. 20	Establish a targeted exemption from standby service rates for eligible CHP and battery storage. Revise the "efficient CHP" criteria for a lower NOx standard.
Multi-party offsets	152, 157.1, 157.1.1, 157.2, 157.3, 157.4, 164, 165, 166, 170, 384.1, 385	G.6.g	Combine with the filing made in Case 16-E-0196. Also allow participation by customers in multiple buildings if they share a thermal loop with the generator.

<u>Standby Service and Buy-back Service - Cont.</u>	<u>Leaf #s</u>	<u>JP Section</u>	<u>Reason for Filing</u>
Standby reliability credit	167, 167.1	G.6.c	Continue paying Standby Performance Credits, instituted in Case 13-E-0030, through October 2017.
		"	Replace the Performance Credit with a Reliability Credit in 2017, including paying for reliability based on as-used demand during the measurement period.
		"	Starting RY2, the measurement period is Monday through Friday, except holidays, 8 AM to 10 PM, June 1 through September 30.
SC 11 optional bill credits - new Spec Prov I	477, 477.1	G.6.d	Provide optional bill credits for reliable performance to export-only customers.
Rule 20.2.3 (standby interconnection)	160	G.8(n)	Revise text, which currently describes the standby prohibition on backfeed, for clarity. Under General Rule 20, only offset customers may export power.
SC 11 interconnection provisions	470	G.8(n)	Revise text, which indicates that SC 11 customers cannot backfeed, for clarity. They cannot export on the secondary network, as stated on Leaf 461.
DEC emissions standards (DG Application)	386	G.6.b & G.8(n)	Eliminate reference to NYS DEC standards. New DEC standards were set 11/3/16 (6 NYCRR Part 222). These are not applicable to Standby Service rate exemptions under the Company's tariff due to alternate standards set in Case 16-E-0060.
Efficient CHP	162, 162.1	G.8(n)	Specified the requirements of efficient CHP (1/23/2004 Order in Case 02-E-0781) that continue to apply to customers with designated technologies and customers with targeted exemptions (i.e., requirements other than NOx emissions and CHP size).
<u>Business Incentive Rates ("BIR") and Excelsior Jobs Program ("EJP")</u>			
Rider J (BIR) and SC 9 Spec Prov H (EJP):	177, 193, 195 -201, 459.4		Summary:
WTC BIR		G.8(a)	Remove WTC BIR from Rider J, because WTC BIR is no longer in effect.
Sandy BIR		G.8(a)	Remove Sandy BIR, because it expired 6/30/2015. (The MW were returned to the NYC Comprehensive Package.)
BIR for Biomedical Research		G.7.a(i)	Allocate an additional 20 MW to Biomedical Research, which will be transferred from the NYC Comprehensive Package. (Leaf 197)
		G.7.a(ii)	Reinstitute BIR for Business Incubators and Business Incubator Graduates, with 10 MW from NYC & 2 MW from Westchester Comprehensive Package. (Leaf 197 and Leaf 199)
BIR for Business Incubators and Graduates			Continue to accept BIR applications until one day before expiration of the most recent rate plan or base rates are reset. (Leaf 199)
BIR application deadline			
BIR restrictions		G.8(a)	Under "restrictions" (Leaf 200), define "retail establishments," including examples.
New York State START-UP NY program		G.8(a)	Identify START-UP NY as a qualifying program under the BIR Comprehensive Package. The BIR term that shall not exceed the START-UP NY participation period. (Leaf 193 and Leaf 198)
Rider J rate reductions		G.7.b	On Leaf 201, revise the % reduction for customers who newly commence BIR: 39% for SC 9 Rates I, III, and IV, and 34% for SC 9 Rates II and V.
List of Riders		G.8(a)	On Leaf 177, remove SC 2 from BIR applicability. (Only Sandy BIR was applicable to SC 2.)
EJP rate reductions		G.7.b	On Leaf 459.4, set the EJP % reduction for customers who newly commence EJP at the % set for BIR.
<u>Low income Program</u>			
LI reconnection charge waivers	119	N.5	Specify provisions for the low-income reconnection charge waiver, including the annual target amount of \$547,000.
LI program continuance	352	N.3, N.5	Identify the low-income amount in rates for each rate year: \$55.247 million (i.e., \$54.7 million in discounts and \$547,000 in reconnection charge waivers).
low-income program expansion	388	N.2	Add Medicaid to the list of qualifying electric programs.
SC 1 Spec. Prov. G - one-time credit	395	N.3	Provide a one-time credit to low-income customers during the March 2017 cycle billing month due to the one-month lag in the effective date of the billed-charge reduction (Feb. vs. Jan.). Customers newly enrolled in the low-income program as a result of the Company's reconciliation with social service agencies in fourth quarter 2016 will receive \$10.00. Customers whose continued eligibility for the low income program was confirmed in the fourth quarter 2016 agency reconciliation will receive \$0.50.
<u>Make Whole Provisions</u>			
		G.2	
Rule 25.3, MFC - UB expense	336		True-up uncollectible bill expense for charges determined starting 1/1/2017, at the UB Factors established in Case 16-E-0060.
Rule 26.7, Delivery Revenue Surcharge	337, 358		Add a surcharge to recover allowed revenue shortfalls due to extension of the Case 16-E-0060 suspension period.
Rule 26.1.2, MAC Adjustment - UB expense	344		True-up uncollectible bill expense for charges determined starting 1/1/2017, at the UB Factor established in Case 16-E-0060.
			True-up targeted revenue levels and revenue shortfalls for components of the Transition Adjustment, due to extension of the Case 16-E-0060 suspension period.
Rule 28.3, Transition Adjustment	361		
<u>Other Tariff Changes</u>			
Rule 5.6.1 - transformers & assoc equipment	56	G.8(e)	Revise this Rule to clarify cost responsibility. Indicate that space for submersible transformer enclosures must be elevated if located in a flood zone.
Rule 17.1 - special charges	122	G.8(d)	Update charges for hi-pot, Megger and dielectric fluid tests and for the reinspection charge.
Rule 17.3 - accommodation billing overheads	126	G.8(c)	Update percentages for handling costs and corporate overheads for costs associated with Special Services.
Rule 17.5 - aggregated Company records	128	L.2	Eliminate the charge for building-level ("aggregated whole building") data covering up to 24 months (i.e., non-archived data).
Rule 21.1 - compensation for spoilage	171	G.8(b)	Update amounts payable for losses due to power failures attributable to malfunctions in the Company's lines.
RDM targets	351	B.1.b & App. 4	Update allowed revenue targets. Eliminate the obsolete provision about SC2/SC6 & SC5/SC9 collections for pre-2016.
Application: residential ID	366	L.4	Indicate that an ITIN and IDNYC are acceptable type of residential identification.
SC 2 Spec Provision D (radio transceivers)	402	G.3	Change the applicability of this Special Provision to 40 or more locations; extend applicability to devices at locations that provide free Wi-Fi services.
SC 2 Special Provision E - one-time credit	402	G.3	During the March 2017 cycle billing month, provide a \$4.41 one-time credit to unmetered-service customers, other than those billed under Special Provision D, due to the one-month lag in the effective date of the billed-charge reduction (Feb. vs. Jan.).

<u>Housekeeping and Elimination of Obsolete Provisions</u>	<u>Leaf #s</u>	<u>JP Section</u>	<u>Reason for Filing</u>
Correct definition of PASNY Rate Schedule	16	G.8(n)	Correct text: change "PASNY No. 12 Rate Schedule" to "Schedule for PASNY Delivery Service, PSC No. 12 - Electricity."
Rule 10.11, reactive power demand	92 - 95	G.8(j)	Eliminate text about the program phase-in, which was completed 12/31/2014. Also revise text to improve clarity.
Rule 16.4 (charge for on-site reading)	121	G.8(n)	Instead of referring to \$19 (the current charge specified in Rule 17.1.f.), indicate that the applicable charge is specified in that General Rule.
Rule 19.2 Retail Access Service	134	G.8(n)	Correct the reference to General Rule 19.2.9. It should reference "General Rule 19.2."
Rule 19 - Retail Access Power Move Program	136, 139, 142	G.8(n)	Eliminate reference to this program. The PSC's 4/25/2014 Order in Case 12-M-0476 directed that there be no ESCO referral program.
Rider M restrictions	217	G.8(n)	Correct text that refers to "delivery" service under the retail access program.
Conform Rider R interconnection to SIR	245	G.8(g)	Remove text about when studies of inverter-based systems are required; instead indicate that interconnection requests will be processed pursuant to the SIR.
Temporary Rate Adjustment	164, 167.1, 337, 359	B.1.b	Eliminate reference to the temporary rate adjustment, which expired 12/31/2016, in Case 13-E-0030. There is no such adjustment in Case 16-E-0060.
Correct Rate Schedule reference	343.1	G.8(n)	Change "PASNY Schedule" to "PASNY Rate Schedule" to conform to the name stated in the Definitions section on Leaf 16.
Application: tax exemption information	368	G.8(n)	Change "electric and steam" to "electric and gas" and indicate remissions are applicable to local gross receipts tax ("GRT"), in addition to state GRT.
	"	G.8(n)	Indicate that tax-exemption forms are on the NYS Department of Finance website.
Excess distribution facilities - upfront payment	373.1	G.8(l)	Correct the formula. (The incorrect formula has not affected the resulting payment amount.) Also use the cost of capital as set in each rate case.
SC 6 - lamp types	419	G.8(f)	Indicate in Special Provision C that LED lamps can be used under this SC.
SC 9 max rate	446	G.8(n)	Eliminate reference to the SC 9 Maximum Rate, which was eliminated as of 12/31/2015, and reserve this Leaf for future use.
	250, 459.0.1, and 459. 3	G.8(n)	Eliminate reference to the SC 9 Maximum Rate.
Tariff Addendum-NEG	Addendum-NEG-4	G.8(n)	Remove the second negotiated contract, which is obsolete. Correct the contract expiration of the first contract from "unlimited" to 10/30/2036. (Note: Addendum-NEG-2 was filed in Case 15-E-0050 and canceled.)

Appendix F

Description of Changes to the PASNY Tariff

	<u>Leaf #s</u>	<u>JP Section</u>	<u>Reason for Filing</u>
<u>Rate Leaves</u>			
Rate I	4	App. 19	
street lights and FA	5	App. 19	
Rate II	6	App. 19	
Rate III, inc station use rate	7	App. 19	
Rate IV, inc station use rate	8, 9	App. 19	
Reactive demand charge	10	App. 19	Increase the charge per kVar to \$1.97 from \$1.41.
competitive metering & communic. credits	14	App. 19	
<u>Standby Service</u>			
Minimum Monthly Charge ("MMC")	12	G.6.a	Permit customers exempt from standby service rates to request a one-time reset of the contract demand used to determine whether the MMC is applicable.
Standby multi-party offsets	17.1, 17.1.1	G.6.g	Expand the standby offset tariff to multi-parties. (See Electric Tariff Rule 20.) For NYPA customers, the customer sponsor and/or its representative will coordinate the generator's interconnection and operation and submit the Multi-Party Offset Form.
Standby Reliability Credit	17.2	G.6.c	Indicate that PASNY customers are eligible for the Standby Reliability Credit, as they were for the Standby Performance Credit.
<u>Other</u>			
RDM	21, 22	B.1.b, N.3	Indicate RDM targets, including separate reconciliations for PASNY and KIAC. Also revise the low-income amount in rates.
Delivery Revenue Surcharge	25	G.2	Add a surcharge to recover allowed revenue shortfalls due to extension of the Case 16-E-0060 suspension period.
PJM OATT charges	26, 26.1	B.1.c	Cap the annual contribution at \$4.6 million. Indicate that if costs are incurred for less than a full rate year, the \$4.6 million annual cap will be prorated.
OTH surcharge	26.1, 26.2	B.1.a	See Electric Tariff Leaf 343.1. Similar changes are being made to PASNY OTH Statement cost components.
Expand street lighting uses	29	G.8(m)(1)	Indicate that certain public street lighting uses, such as traffic detectors, red light cameras, and muni parking meters, are types of traffic control signals.
<u>Obsolete tariff provisions and housekeeping</u>			
Temporary Rate Adjustment	10, 17.2	B.1.b	The temporary rate adjustment expired 12/31/2016, in Case 13-E-0030. There is no such adjustment in Case 16-E-0060.
Special Provision 1 correction	27	G.8(m)(ii)	Indicate that Special Provision E of SC 6 is not applicable, to conform to text on PASNY Leaf 32.