



Consolidated Edison Company
of New York, Inc.
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February 16, 2016

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

RE: Case 13-E-0030, Con Edison Existing Electric Rate Plan

Dear Secretary Burgess:

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 Company’s Tariff Leaves are issued to become effective on May 23, 2016. The specific Tariff Leaves being revised are identified below:

<u>Tariff Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
97	7	6
98	1	0
101	3	2
215	1	0
250	3	2
329	5	4
330	5	4
330.1	0	

Reason for Filing

The Commission’s Order Approving Electric, Gas and Steam Rate Plans in Accord With Joint Proposal, issued and effective February 21, 2014, in Case 13-E-0030

et al. (the “Order”) adopted the Joint Proposal (“JP”) set forth in an Appendix of the Order with certain modifications. Section I, paragraph 2.a., of the JP (p. 93) requires that the Company take steps to change its method of calculating capacity charges for Mandatory Hourly Pricing (“MHP”) customers from a calculation based on each customer’s peak demand to a calculation based on each customer’s installed capacity (“ICAP”) Tag, for implementation in the spring of 2016.

This filing makes the required Tariff changes. General Rule 25.1 - Market Supply Charge (“MSC”) has been modified to revise the calculation of capacity charges for customers billed under Rider M – Day-ahead Hourly Pricing (applicable both to MHP customers and voluntary participants under Rider M) commencing with bills having a “from” date on or after June 1, 2016. Also, changes have been made to: (a) Rider M to indicate that the capacity cost for each eligible customer will be based on each customer’s ICAP tag, as described in General Rule 25.1; (b) General Rule 11 – Billing Applicable to Service Under Certain Economic Development Programs,¹ to describe how capacity will be allocated to the programs for Rider M customers; and (c) Rider R – Net Metering for Customer-Generators to indicate that kW charges for supply are described in General Rule 25.1.

In addition, the Company has made changes to General Rule 25.1 to specify how capacity costs are assessed to non-Rider M customers billed under Special Provision D of Service Classification (“SC”) 9 (i.e., based on billable demand rather than registered demand) and to clarify how capacity costs are assessed to non-Rider M customers billed under time-of-day rates. A Tariff reference in General Rule 25.1 about the SC 9 Rate I Maximum Rate, which expired December 31, 2015, has also been eliminated.

Tariff Changes

The following tariff changes have been made:

- General Rule 25.1 has been amended to indicate that estimated capacity costs for Rider M customers will be determined for each calendar month, starting June 2016, based on the results of the NYISO’s monthly capacity auctions. Statements of MSC – Capacity will be filed monthly with the Commission (as opposed to current Statements, which are filed every six months) and will show both the six-month estimate for non-Rider M customers based on NYISO strip auction prices, as well as the monthly estimate for Rider M customers based on NYISO monthly auction results. Commencing with bills having a “from” date on or after June 1, 2016, Rider M customers will pay for capacity based on their ICAP tag. The ICAP tag is set annually, each May 1, based on the customer’s load during the NYCA peak hour from the prior calendar year, reconciled to the Company’s share of the NYCA peak load, and

¹ General Rule 11 applies to service under two economic development programs: (a) service under SC 9, Special Provision G - Recharge New York (“RNY”) and (b) service under Special Provision No. 8 of the PASNY Rate Schedule (“WTC”).

adjusted for the upcoming year's forecasted peak load.² In the event the Company does not have an accurate or sufficient load history for the customer's account, the ICAP tag will be based on the Company's estimate.

- The Company has clarified in General Rule 25.1 how capacity costs are assessed to customers billed under time-of-day rates. (This information is currently contained on the Statement of MSC – Capacity.) For customers billed for demand under time-of-day rates, the cost of capacity is assessed based on demand registered only during the “on peak” period. In the future, this method of cost assessment will continue to apply to non-Rider M customers only. For customers billed under energy-only voluntary time-of-day rates, the cost of capacity under SC 1 – Rate II and SC 2 - Rate II is assessed based on kilowatthours registered only during the “on peak” period; the cost of capacity for SC 1 – Rate III customers is assessed only in the Summer Billing Period based on kilowatthours registered weekdays, 2 PM to 6 PM.
- The Company has specified in General Rule 25.1 how capacity charges are billed to customers served under Special Provision D of SC 9. These customers, who are eligible for winter demand reductions for the operation of electric space heating equipment through the 2017-2018 winter billing period, are billed for capacity based on their billable, rather than their registered, demands. In the future, this practice will apply only to non-Rider M customers billed under Special Provision D.
- In General Rule 25.1, reference to customers billed under the Maximum Rate of SC 9 – Rate I has been deleted. The Maximum Rate is eliminated effective January 1, 2016, pursuant to Section G, paragraph 1.e., of the JP (p. 75).
- Section C of Rider M (“Rates Applicable”), which describes differences in how supply costs are assessed to Rider M customers, as opposed to other full-service customers, has been amended to indicate that the cost of capacity will be based on Rider M customers’ ICAP Tags on bills having a “from” date on or after June 1, 2016.
- Changes have been made to General Rule 11 - Billing Applicable to Service Under Certain Economic Development Programs, to indicate that, for Rider M customers, capacity served under each program, as applicable, commencing with bills having a “from” date on or after June 1, 2016, will be equal to the ICAP Tag for the billing month multiplied by the Allocation Ratio for that program. As described on Leaf 97, the Allocation Ratio is generally the ratio of the demand allocation under the program to the registered monthly maximum demand.³ Capacity billed under Rider M will be equal to the customer's ICAP Tag less the capacity served under the General Rule 11 programs.

² Because Rider M customers' ICAP Tag will reflect an adjustment for losses, their capacity costs will not be subject to the Factor of Adjustment for Losses stated in General Rule 25.1.

³ Existing exceptions are outlined on Leaf 97.

Conclusion and Notice

This filing is issued with an effective date of May 23, 2016. The Company will publish notice of the proposed tariff changes on February 25, and March 3, 10, and 17, 2016. Copies of this filing are being sent electronically to the active party list in 13-E-0030.

Sincerely,

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