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September 28, 2015

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

RE: Case 15-E-0082, Community Distributed Generation

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 revised Tariff Leaves, which are identified in Appendix A, make changes to Rider R – Net Metering for Customer-Generators. A change is also made to Application Form G – “Addendum to Application for Service: Application for Net Metering or Standby Service and/or Buy-Back Service.” The Tariff Leaves have an effective date of October 19, 2015.

Background

The Commission’s Order Establishing a Community Distributed Generation Program and Making Other Findings (the “Order”), issued and effective July 17, 2015, in Case 15-E-0082, directed all electric utilities to file tariff changes to implement community distributed generation (“CDG”). CDG is a form of net metering in which the net energy produced by a generator owned or operated by a non-residential customer (“CDG Host”) may be credited to the accounts of other customers (“CDG Satellite Accounts”), provided the CDG project meets certain requirements established by the Order. For example, the CDG equipment must be eligible for net metering, and the CDG Host Account and its CDG Satellite Accounts must be located in the same NYISO zone and within the same utility’s service territory. In addition, the CDG Host may designate no fewer than ten CDG Satellite Accounts, and no more than 40 percent of the CDG output may serve CDG Satellite Accounts of 25 kW or greater (each adjusted, if

applicable, to account for units in multiple dwellings that are not individually metered). After each CDG Satellite Account has been credited, using the allocation percentages designated by the CDG Host, any remaining credit is to be carried forward to the succeeding billing period on each respective account. Where the CDG Host Account is billed under demand rates, the CDG Satellite Accounts will receive monetary credits. Where the CDG Host Account is billed under energy-only rates, the CDG Satellite Accounts will receive volumetric (kilowatthour) credits. Any remaining kilowatthour (“kWh”) credits on CDG Satellite Accounts will be returned to the CDG Host Account once a year, after which time they will be redistributed as directed by the CDG Host or forfeited if instructions are not provided.

CDG will be implemented in two stages. Through April 30, 2016, CDG will be available where the CDG Host Account is located in a CDG Opportunity Zone designated in a map posted on the utility’s website or a minimum of 20 percent of the CDG Satellite Accounts are low-income. Thereafter, CDG will be available throughout the utility’s service territory.

As required by the Order, the Company has coordinated development of this filing with the other state electric distribution companies.

Tariff Changes

Changes were made to Rider R, as described below:

- Section B was expanded to include definitions of “Community Distributed Generation” and “Remote Net Metering” (“RNM”).
- Section C was modified to indicate that Application Form G is not applicable to CDG service, for which an application will be set forth in the Company’s CDG Operating Procedure. In addition, a conforming change, showing the exception, was made to Application Form G.
- Section F, currently applicable to RNM, was expanded to include CDG. The provisions related to CDG outline the two phases of CDG implementation. During Phase 1, CDG is available to CDG projects located within a CDG Opportunity Zone or where a minimum of 20 percent of the CDG Satellite Accounts are low-income. The Company has indicated that low-income participants are those enrolled in its low-income program.¹ To qualify for CECONY’s electric low-income program, a Customer must be enrolled in the Direct Vendor or Utility Guarantee Program and/or receiving benefits under Supplemental Security Income, Temporary Assistance to Needy Persons/Families, Safety Net Assistance, or the Supplemental Nutrition

¹ As indicated in the Company’s report regarding its electric low-income program, as filed with the Commission on July 30, 2015, in Case 13-E-0030, there were 381,243 low-income program participants as of June 30, 2015.

Assistance Program, or have received a Home Energy Assistance Program grant in the preceding 12 months.

In addition, Section F defines “CDG Host” and specifies the requirements of CDG Hosts and their projects. These include provisions indicating that:

- (a) the CDG Host, by submitting a completed application to the Company, is certifying that its project meets the Commission’s eligibility requirements specified in the Order and as may be revised thereafter;
- (b) the CDG Host must meet all the requirements of Commission Orders issued in Cases 15-E-0082 and 15-M-0180, as they may be amended or superseded from time to time;
- (c) the CDG Host must certify in writing to the Commission, both prior to commencing net metered service under CDG and annually thereafter, that its CDG Satellite Accounts with demands of 25 kW or greater receive, in aggregate, no more than 40 percent of the generator’s output (as adjusted, if applicable, for dwelling units of CDG Satellite Accounts billed under SC 8 or SC 12) and that the CDG Host meets creditworthiness standards and other requirements established by the Commission;
- (d) the CDG Host may not participate in RNM, and CDG Satellite Accounts may not have on-site generation or participate in net metering, except as provided by the CDG Host;
- (e) the CDG Host, if it was previously net-metered on a single account or as an RNM Host, must forfeit any remaining kWhr credit before becoming a CDG Host;
- (f) the CDG Host, by providing a Customer’s name and account number to the Company (and such other information as the Company may require if it is unable to verify the Customer’s account based on the information provided), as described in the Company’s CDG Operating Procedure, is certifying that it has written authorization from the Customer to request and receive that Customer’s historical usage information and, upon enrolling a CDG Satellite Account, that it has entered into a written contract with such Customer; and
- (g) the CDG Host may not request termination or suspension of electric service to a CDG Satellite Account.

Section F indicates that the Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellite, including contractual terms, pricing, dispute resolution, and contract termination.

Section F also describes provisions related to the allocation of generators' output, including the requirements that:

- (a) the CDG Host must submit its list of CDG Satellite Accounts and percentages of net energy output to be allocated to each no less than 60 days before commencing CDG service;
 - (b) after commencing CDG service, the CDG Host may request changes to its Satellite Accounts and/or the percentage allocated to itself or one of more of its Satellite Accounts once per CDG Host billing cycle by giving notice to the Company no less than 30 days before CDG Host's cycle billing date to which the modifications apply;
 - (c) the CDG Host's excess credits will be assumed to be zero for any monthly billing period in which there is insufficient metering data available to ascertain the credits to be applied; provided, however, that credits may be applied at a later date should actual data become available; and
 - (d) once each year, a CDG Host billed under energy-only rates must provide instructions for reallocating any kWh credits remaining on its Satellite Accounts. Instructions must be received no less than 30 days before the CDG Host's 12-month anniversary date of commencing CDG net-metered service or credits will be forfeited.
- Section G indicates how CDG credits will be applied as designated by the CDG Host. For CDG Hosts with fuel cell or farm waste electric generation, any kWh of net energy provided to the Company by the CDG Host Account will be converted to a monetary credit at the Avoided Energy Cost and applied towards the CDG Host's electric bill. Any remaining monetary credit will be applied towards its Satellite Accounts' electric bills based on the percentages designated by the CDG Host.

Except as specified above:

- (a) Any kWh of net energy provided to the Company by a CDG Host Account billed under demand rates will be converted to its monetary credit at the Host Account's Service Classification ("SC") Rate and applied towards the CDG Host's electric bill. Any remaining monetary credit will be applied towards its Satellite Accounts' electric bills based on the percentages designated by the CDG Host.
- (b) Any kWh of net energy provided to the Company by a CDG Host Account billed under energy-only rates will be applied to its Satellite Accounts based on the percentages designated by the CDG Host. The credit will be applied towards each CDG Satellite Account's electric bill, up to its kWh usage, by

converting the kWh usage to its monetary credit at the CDG Satellite Account's Service Classification ("SC") Rate. Any remaining kWh will be carried forward on the respective CDG Satellite Account to the succeeding billing period. Once a year, any remaining kWh credit on the CDG Satellite Account will be returned to the CDG Host after the CDG Host's 12-month anniversary of commencing DG service and redistributed, if instructions were provided by the CDG Host, or forfeited.

After the final bill is issued on a CDG Host Account, any remaining kWh credit will not be cashed out or transferred. CDG Satellite Accounts will no longer receive credits after the final bill is issued on the account of its CDG Host. If a kWh credit remains on a CDG Satellite Account after its final bill is rendered, such credit will be returned to the CDG Host Account.

CDG Operating Procedure

The Company's CDG Operating Procedure, which is separate from the Tariff, will be posted to the Company's website. The CDG Operating Procedure will provide the format and requirements for CDG Hosts' submissions, including the application for CDG service, and identify consumer protections required of CDG Hosts until such time that the PSC establishes the Uniform Business Practices for Distributed Energy Resource Providers. The Company is working with the other state electric distribution companies to coordinate these procedures.

Conclusion and Notice

Ordering Clause 2 of the Order directed utilities to file tariff changes within 60 days of the Order, to become effective on October 19, 2015. The Commission's Notice Granting in Part and Denying in Part Request for Extension of Time, issued September 9, 2015, granted the utilities an extension to file tariff changes by September 28, 2015, and directed no change in the tariff amendments' effective date. Accordingly, this filing is issued with an effective date of October 19, 2015.

As specified in Ordering Clause 4 of the Order, the requirement for newspaper publication was waived.

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

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

Appendix A

PSC No. 10 – Electricity: List of Tariff Leaves

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
246	3	2
249.1	5	4
249.2	0	
249.3	0	
249.4	0	
251	7	6
251.1	5	4
251.2	5	4
251.3	1	0
251.4	2	1
251.5	1	0
252	7	6
253	4	3
382	2	1