



Consolidated Edison Company
of New York, Inc.
4 Irving Place
New York NY 10003
www.conEd.com

December 14, 2012

Hon. Jaclyn A. Brillling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, N.Y. 12223-1350

**RE: Case No. 09-E-0115, Proceeding on Motion of the
Commission to Consider Demand Response Initiatives**

Dear Secretary Brillling:

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) filed its Petition of Consolidated Edison Company of New York, Inc. for Approval of Changes to Demand Response Programs (the “Petition”), dated December 14, 2012, with the New York State Public Service Commission (the “Commission”) proposing changes to the Company’s tariffed Demand Response (“DR”) programs: Commercial System Relief Program (“Rider S” or “CSRP”), Distribution Load Relief Program (“Rider U” or “DLRP”), and Direct Load Control Program (“Rider L” or “DLC”). To implement the changes outlined in the Petition, this filing proposes changes to the Company’s 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 tariff leaves, which are identified in Appendix A, are filed to become effective March 18, 2013.

Rider S - CSRP

Rider S is available to customers who contract to provide at least 50 kW of load relief and to aggregators who contract to provide at least 100 kW of load relief. Rider S has a Summer Reservation System Relief Program and a Voluntary System Relief Program.

In the current filing, the Company proposes to:

- (a) rename “Contingency Event” as “Unplanned Event,” so that “Contingency Event” under Rider S is not confused with “Contingency Event” under Rider U;
- (b) eliminate the requirement that program participants provide NYISO market participation information, because only Company employees involved in supply procurement are permitted to have access to NYISO participation information unless customers enroll in NYISO programs through the Company;
- (c) eliminate the prohibition against paying for energy during concurrent load events under Rider P, V, or W or any other NYISO demand response program, because participants in NYISO programs are not required to advise the Company of their participation in these programs and only Company employees involved in supply procurement are permitted to have access to NYISO program information. Additionally, demand response events are initiated by NYISO for different economic reasons and therefore it is appropriate for Con Edison to have different economic incentives;
- (d) clarify that the prohibition against the payment to Rider S participants who receive payment for energy under Rider U during concurrent Load Relief hours also applies to unplanned events. This prohibition will avoid double payment for energy;
- (e) under the definition of “CBL,” change “NYISO Customer Baseline Load methodology” to the “Company’s Customer Baseline Load Methodology,” and, under the definition of “CBL Verification Methodology,” change “NYISO defined ranges” to “Company defined ranges,” so the tariff refers to a Company methodology and Company defined ranges. The Company methodology and Company defined ranges, although initially consistent with the NYISO methodology and defined ranges currently in use, will no longer be tied to NYISO changes, and will be included in an operating procedure that will be available online to the public; and
- (f) indicate that, where April 1 or May 1 falls on a weekend, applications may be submitted the first Monday after.

Rider U - DLRP

Rider U is available to customers who contract to provide at least 50 kW of load relief and to aggregators who contract to provide at least 100 kW of load relief. Rider U has a Summer Reservation Payments Program and a Voluntary Load Relief Program.

As with Rider S, the Company proposes to:

- (a) eliminate the prohibition against paying for energy during concurrent load events under Rider P, V, or W or any other NYISO demand response program;
- (b) under the definition of “CBL,” change “NYISO Customer Baseline Load methodology” to the “Company’s Customer Baseline Load Methodology,” and, under the definition of “CBL Verification Methodology,” change “NYISO defined ranges” to “Company defined ranges.”

The Company also proposes to:

- (a) change the definition of Load Relief Period to indicate that events will not be called to commence between the hours of 11 PM and 6 AM, because the program's primary targets, commercial customers, cannot typically reduce low nighttime load; and
- (b) modify the Summer Reservation Payments program to indicate that the enrollment deadline is April 1 or the first Monday after April 1 if April 1 falls on a weekend, in order to commence service under the Rider as of May 1.

Rider L - DLC

Under Rider L, the Company provides customers with control devices that allow the Company to remotely control the customer's central air conditioning equipment, subject to customer override. The Company proposes to:

- (a) expand the program to include other types of air conditioning equipment, such as window and wall air conditioners and packaged terminal air conditioning ("PTAC") units, which are currently served under the ModLet pilot program, an untariffed program that expires December 31, 2012 and is currently funded through the Residential Smart Appliance Program ("RSAP");
- (b) specify that participants can be indirect customers, e.g., tenants or occupants of multiple dwellings or commercial buildings in which there is one Con Edison customer for the entire building;
- (c) increase annual program funding to \$10 million;
- (d) eliminate NYISO-declared events as a reason to call an event under this program, because the Company no longer plans to enroll this program in the NYISO Special Case Resources Program; and
- (e) modify Rider L payment provisions, as follows:
 - (i) Installation Awards: Currently, a Rider L customer receives a one-time \$25 payment if a device or devices are installed to control central air conditioning equipment at the premises of a customer billed under Service Classification ("SC") 1 or SC 7¹ and \$50 if a device or devices are installed to control central air conditioning equipment at the premises of a customer billed under another SC or who is a customer of NYPA, NYCPUS, or COWPUSA.² However, not all SC 1 customers are residential (e.g., they could be religious organizations), and some customers in other SCs may have residential units (e.g., apartments in multiple dwellings that are submetered). As a result, the Company proposes to award: (a) \$25, in the form of payment or a gift card at

¹ The Company has deleted reference to SC 7 under this Rider and under Riders S and U, because that SC will be merged into SC 1 effective April 1, 2013, pursuant to the Commission's Order that established the Company's current rate plan, Case 09-E-0428.

² There are no customers currently being served by NYCPUS or COWPUSA.

the Company's discretion, to participants who have devices installed to control central air conditioning or other air conditioning equipment with thermostats at their residence; (b) a \$50 payment to participants who have devices installed to control central air conditioning or other air conditioning equipment with thermostats in their non-residential premises; and (c) \$25, in the form of payment or a gift card at the Company's discretion, to participants who have wall or window air conditioning units or PTAC plug-in units. Only one award will be given under (a), (b), or (c) regardless of the number of Control Devices installed. However, awards may be given both under (a) or (b), as applicable, and under subparagraph (c).

- (ii) Annual Awards: Commencing in the calendar year following the year in which the Control Device or Devices are installed, the Company proposes to make an annual award to participants with wall or window air conditioning units or PTAC plug-in units (as either a \$25 payment or a \$25 gift card, at the Company's discretion) after each Summer (defined under this Rider as May through October) during which the Company can verify that, for the aggregate number of hours of Events designated by the Company during the past Summer, the participant allowed the Company to control the equipment during the majority of hours.

Conclusion and Notice

The Company is filing these changes to become effective on March 18, 2013. Newspaper publication of the proposed tariff changes will be made on December 27, 2012, and January 3, 10, and 17, 2013. Copies of this filing are being sent electronically to the active party list in Case 09-E-0115, with hard copies sent to those parties that have not consented to electronic service.

Sincerely,

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

Appendix A

P.S.C. No. 10 – Electricity**Rider L**

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
211	2	1
212	2	1
213	2	1

Rider S

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
254	2	1
255	2	1
256	2	1
257	2	1
258	2	1
259	2	1
262	2	1
263	2	1
264	2	1
267	2	1

Rider U

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
278	2	1
279	2	1
285	2	1
286	2	1