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November 22, 2011

Honorable Jaclyn A. Brilling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, New York 12223

RE: Case 08-E-0539 – Electronic Rate Schedule:
Schedule for Economic Development Delivery Service, P.S.C. No. 11 – Electricity,
Superseding Economic Development Delivery Service No. 2

Dear Secretary Brilling:

Enclosed for filing with the Public Service Commission (the "Commission") is a new electricity rate schedule, Schedule for Economic Development Delivery Service ("EDDS"), P.S.C. No. 11 – Electricity, issued by Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") applicable to delivery service to Power Authority of the State of New York ("PASNY or NYPA"), the New York City Public Utility Service ("NYCPUS"), and the County of Westchester Public Utility Service Agency ("COWPUSA").¹

This filing converts EDDS No. 2 to an electronic format.

Background and Reason for Filing

The Company is required to convert its electric tariffs to an electronic format using the Department of Public Service Electronic Tariff System, pursuant to the Commission's Order Setting Electric Rates, issued April 24, 2009, in Case 08-E-0539 and the Joint Proposal (page 43) that was adopted by the Commission's Order Establishing Three-year Electric Rate Plan, issued

¹ This is the Delivery Service Rate Schedule Implementing and Part of: (1) the "Service Agreement for the Delivery of Power and Energy" between PASNY and the Company, dated March 10, 1989, for the delivery by the Company of Power and Associated Energy to Authority Economic Development Customers, (2) the "Agreement for the Delivery of Power and Energy from the James A. FitzPatrick Power Project" between the County of Westchester, acting through COWPUSA, and the Company, made April 24, 1987, and (3) the "Agreement between the City of New York and Consolidated Edison Company of New York, Inc., for the Delivery of Power and Energy from the James A. FitzPatrick Nuclear Power Project" between the City of New York, acting through NYCPUS, and the Company, made October 23, 1987.

March 26, 2010, in Case 09-E-0428. As specified in the Joint Proposal, the Company is required to complete the conversion prior to the end of Rate Year 2, which ends March 31, 2012.

The Company filed electronic tariff P.S.C. No. 10 – Electricity with the Commission on July 15, 2011. P.S.C. No. 10 combines and replaces the Schedule for Electricity Service, P.S.C. No. 9 – Electricity, and the Retail Access Rate Schedule, P.S.C. No. 2 – Retail Access. P.S.C. No. 10 is proposed to become effective on February 10, 2012. As indicated in the filing letter that accompanied P.S.C. No. 10, the Company has two additional electricity tariffs, PASNY No. 4 and EDDS No. 2, which the Company is required to convert to an electronic format before March 31, 2012.

With this filing, the Company is issuing P.S.C. No. 11 – Electricity to supersede the Company's electricity rate schedule for delivery of economic development power and energy, EDDS No. 2 (both referred to herein as the "EDDS Rate Schedule"). P.S.C. No. 11 has a proposed effective date of February 20, 2012.² The Company is also filing housekeeping changes to its proposed Schedule for Electricity, P.S.C. No. 10 – Electricity. The P.S.C. No. 10 changes also have a proposed effective date of February 20, 2012.

P.S.C. No. 11 – EDDS

Consistent with the New York State Department of Public Service's "Electronic Tariff System: Utility Tariff Preparer's Guide," dated July 1, 2008, the tariff leaves are consistently numbered, including the title page, from "1" to "19."

Where appropriate for purposes of improved clarity and ease of use, the Company moved text from one section to another more appropriate section,³ split sections into two or more sections,⁴ eliminated obsolete text,⁵ and added clarifying language where needed.⁶ The Company also omitted text in P.S.C. No. 11 to the extent it duplicates text in P.S.C. No. 10, so

² The Company also plans to file an electronic tariff, P.S.C. No. 12, to supersede PASNY No. 4, which will also have a proposed effective date of February 20, 2012.

³ For example, "Terms of Payment" and "Term of Service" in the "Common Provisions" section of EDDS No. 2 were moved to the "Special Provisions" section, because they refer to provisions specified in the agreements that form the basis for the EDDS Rate Schedule, rather than provisions common to individual customers' accounts.

⁴ For example, the "Common Provisions" section of EDDS No. 2 has been divided into three sections, so that only related information is within each section. To illustrate, a "Common Charges" section was created for charges applicable to rates (i.e., the Increase in Rates and Charges and the Reactive Power Demand Charge), a separate section for "General Provisions," and another section for "Additional Delivery Charges and Adjustments."

⁵ For example, obsolete text about a 2010 Rate Adjustment Clause refund, the Monthly Adjustment Clause, and the Delivery Revenue Surcharge were deleted.

⁶ For example, for consistency with P.S.C. No. 10, the Company added "Meters with Communications Capabilities" to indicate when the Company will provide and maintain the communications service (e.g., if the customer is subject to reactive power demand charges under the EDDS Rate Schedule).

that the rules, terms, and conditions of service are uniform across P.S.C. No. 10 and P.S.C. No. 11 unless expressly stated.⁷

The tariff changes made in converting EDDS No. 2 to P.S.C. No. 11 are described below:

- A. Because of the electronic tariff filed for P.S.C. No. 10, references to P.S.C. No. 9 and its tariff rules were changed to P.S.C. No. 10 and its corresponding rule numbers. Also, references to Service Classification (“SC”) 15-RA of the Retail Access Rate Schedule were changed to SC 15 of the Schedule for Electricity for consistency with P.S.C. No. 10.
- B. The following abbreviations were added to P.S.C. No. 11: NYPA, NYCPUS, and COWPUSA.
- C. Under “Character of Service,” the Company added the availability of high-tension three-phase service at 26,400, 69,000, and 138,000 volts to conform to service characteristics that may be provided under the Company’s Schedule for Electricity. These were added to SC 9 of P.S.C. No. 9, effective July 1, 2002, in Case 02-E-0446.
- D. The section “Common Provisions Applicable to Rate I and Rate II” in EDDS No. 2⁸ was divided into the following separate sections in P.S.C. No. 11: (a) “Common Charges,” (b) “General Provisions,” and (c) “Additional Delivery Charges and Adjustments.”

Changes were made to the above sections as described below and in Attachment A:

Common Charges

This section contains the “Reactive Power Demand Charge” and “Increase in Rates and Charges.”

Under “Reactive Power Demand Charge,” text that duplicated what is in P.S.C. No. 10 was deleted. The Company referenced the applicable rule in P.S.C. No. 10 (General Rule 10.11), and identified modifications to that General Rule under P.S.C. No. 11 (e.g., the charge per kVar). Text was also added to indicate that the reactive power demand charge is applicable to SC 15 of P.S.C. No. 10. SC 15 customers are billed for reactive power demand charges to the extent those charges are applicable under the EDDS Rate Schedule.

⁷ For example, instead of repeating all the reactive power demand charge rules and standby service rules in P.S.C. No. 11, the applicable rules of P.S.C. No. 10 were cited in P.S.C. No. 11, with any modifications pertaining to the EDDS Rate Schedule separately listed.

⁸ Items under this heading in EDDS No. 2 were: Increase in Rates and Charges, Determination of Demand, Metering Services, Reactive Power Demand Charge, Billing Adjustments, Terms of Payment, Term of Service, Definition of Billing Periods, and Special Provision Adjustments. Special Provision Adjustments included: System Benefits Charge, Monthly Adjustment Clause and Adjustment Factor – MAC, Rate Adjustment Clause, Delivery Revenue Surcharge, Surcharge to Collect Assessments Under Section 18-a of the Public Service Law, Smart Grid Projects, and Charge for Demand Management Programs.

Under “Increase in Rates and Charges,” obsolete text about the reconciliation of state income taxes incurred versus collected prior to April 1, 2005, was deleted. The Company added text to indicate that Reactive Power Demand Charges are subject to the Increase in Rates and Charges.

General Provisions

This section contains “Determination of Demand,” “Meters with Communications Capabilities,” “Metering Services,” “Rate Adjustment Clause,” “Billing of Charges,” “Applications for Service,” and “Additional Rules.”

Under “Determination of Demand,” reference to the maximum demand being the two highest contiguous 15-minute intervals was deleted. As specified in that tariff section, maximum demand is defined in the Company’s Schedule for Electricity. The description of contract demand being the customer’s highest registered demand in the most recent 18 months was also deleted. That text was applicable when the EDDS rate schedule contained a minimum monthly charge (“MMC”). However, the MMC tariff provision was removed from the EDDS rate schedule effective December 22, 2003, in Case 03-E-1378.

A new provision, “Meters with Communications Capabilities,” was added to describe when the Company will provide and maintain the communications service and when it must be provided and maintained by PASNY, NYCPUS or COWPUSA. The provision in P.S.C. No. 11 is consistent with General Rule 6.5 of P.S.C. No. 10.

“Billing of Charges,” “Applications for Service,” and “Additional Rules,” which were previously contained within the Special Provisions of EDDS No. 2, were modified as described on page 2 of Appendix A and as follows:

- (1) Under “Billing of Charges,” paragraph 3, the Company indicated that the reference to Rate I Customers billed for both high tension and low tension service on the basis of coincident demand in General Rule 10.8 of P.S.C. No. 10 means Rate I under the EDDS Rate Schedule. (This modification of General Rule 10.8 of P.S.C. No. 10 was necessary, because that General Rule, which is applicable to service under both P.S.C. No. 10 and P.S.C. No. 11, specifically refers to accounts billed under Rate I of SC 5, 8, 9, and 12.)
- (2) Under “Additional Rules,” text was added about Riders of P.S.C. No. 10 that may be applied to service under P.S.C. No. 11 in addition to the Riders listed on the first page of General Rule 24 of P.S.C. No. 10.

Obsolete text under the “Rate Adjustment Clause,” about the \$249,025 required to be credited under the EDDS rate schedule pursuant to the Commission’s Order dated March 26, 2010, in Cases 07-E-0523 and 08-E-0539, was deleted, because credits were already issued.

Additional Delivery Charges and Adjustments

This section contains “Billing Adjustments” and “Special Provision Adjustments” from the Common Provisions section of EDDS No. 2, except as described below.

The definition of “Delivery Revenues” was revised to include revenues under SC 15 of the Schedule for Electricity.

References to the Retail Access Rate Schedule were deleted, and a definition of “Schedule for Electricity” was added to indicate that it means, for the period prior to February 10, 2012, the Schedule for Electricity Service, P.S.C. No. 9 – Electricity, and the Retail Access Rate Schedule, P.S.C. No. 2 – Retail Access. In addition, definitions of “PASNY Rate Schedule” and “this Rate Schedule” were also added to indicate that they mean PASNY No. 4 and EDDS No. 2, respectively, prior to February 20, 2012, and P.S.C. No. 12 and P.S.C. No. 11, respectively, thereafter. Amounts to be collected under the EDDS Rate Schedule for the Public Service Law (“PSL”) Section 18-a Surcharge, Smart Grid Projects, and Demand Management Program are based on a pro rata share of revenues collected under the Schedule for Electricity, the PASNY Rate Schedule, and the EDDS Rate Schedule.

Under “Surcharge to Collect Assessments Under Section 18-a of the Public Service Law,” housekeeping changes were made to reflect the fact that the PASNY Rate Schedule and EDDS Rate Schedule are each considered a single “class” for the allocation of the surcharge and that SC 15 revenues are included in the determination of revenues under the EDDS Rate Schedule. Similar changes were made to the Company’s Schedule for Electricity, as described below in the section describing P.S.C. No. 10 changes.

The “Rate Adjustment Clause” was moved to the General Provisions section, so it appears in a comparable place to that in P.S.C. No. 10. (The Rate Adjustment Clause is a separate rule, General Rule 27, in P.S.C. No. 10.) The “Monthly Adjustment Clause and Adjustment Factor – MAC” and “Delivery Revenue Surcharge” are obsolete and were, therefore, deleted.

E. Special Provisions

Special Provisions G, J, M, and N of EDDS No. 2 were deleted. These provisions are covered under “Additional Rules” of P.S.C. No. 11, either in text or by reference to rules of P.S.C. No. 10, as described on page 2 of Attachment A. Special Provision L of EDDS No. 2 indicated the rules, regulations, terms and conditions of service set forth in the Schedule for Electricity that apply to the EDDS Rate Schedule in the absence of conflict between the EDDS Rate Schedule and the Schedule for Electricity. Special Provision L was moved to “Additional Rules” of P.S.C. No. 11, and the references were changed to conform to the proposed P.S.C. No. 10. That is, General Rules 1 through 18, 20.2, and 21 through 24, and Application Forms B, C, and F of the Schedule for Electricity are applicable to P.S.C. No. 11.

As shown on page 1 of Attachment A, “Terms of Payment” and “Term of Service,” were moved from the “Common Provisions” section of EDDS No. 2 to the “Special Provisions” section of P.S.C. No. 11, since they relate to terms specified in the Company’s agreements with NYPA, NYCPUS, and COWPUSA, rather than common provisions applicable to each account.

Schedule for Electricity, P.S.C. No. 10 - Electricity

The leaf numbers changed in P.S.C. No. 10 are shown in Attachment B. The changes are of a housekeeping nature as described below:

- (a) The first leaf of General Rule 24, Service Classification Riders, to P.S.C. No. 10 (Leaf No. 177) indicates the Riders that are applicable to service, including Riders applicable to customers of NYPA, NYCPUS, and COWPUSA. Because Rider Y specifically states that it is applicable to customers of NYPA, NYCPUS, and COWPUSA, that information was added to Leaf No. 177.
- (b) Rider Q – Power for Jobs Program (Leaf No. 240 of P.S.C. No. 10) references the reactive power demand charge set forth in the “Common Provisions” of the EDDS Rate Schedule. Since the current filing proposes to place text about the EDDS reactive power demand charge in the section of P.S.C. No. 11 called “Common Charges,” “Common Provisions” was changed to “Common Charges” on Leaf No. 240.
- (c) Text in General Rule 26.6 of P.S.C. No. 10 about how the surcharge to collect assessments under PSL Section 18-a is allocated to the various classes based on the contribution of each class (Leaf No. 357) was corrected for SC 15. The contribution of the SC 15 class includes delivery charges only (i.e., it does not include supply).
- (d) The following changes were made to SC 15, Leaf Nos. 501, 502 and 503, to conform to P.S.C. No. 11: (a) references were deleted under SC 15 Rate I and Rate II Demand Charges, which indicated that demand is distributed to customers as determined in accordance with Special Provisions B and C of the EDDS Rate Schedule, because Special Provision B of EDDS No. 2 is now contained under General Provisions - Billing of Charges, and Special Provision C of EDDS No. 2 is now contained in Special Provision B of P.S.C. No. 11; (b) references in Special Provision B of SC 15 to the provisions of the EDDS Rate Schedule were updated to reflect the new section headings in P.S.C. No. 11; and (c) reference was deleted in Special Provision C of SC 15 to the Monthly Adjustment Clause (“MAC”) not applying to the extent not applicable under the EDDS Rate Schedule, because the MAC provision was deleted from the EDDS Rate Schedule, and SC 15 customers’ exemption from the MAC is contained in General Rule 26.1 of P.S.C. No. 10.

Conclusion and Notice

The Company has filed P.S.C. No. 11 to become effective as of February 20, 2012.

Assuming the Commission approves P.S.C. No. 11, to become effective on February 20, 2012, the Company plans to file the Statements applicable to P.S.C. No. 11 no less than three days prior to the new tariff's effective date.⁹

If the Company files changes to EDDS No. 2 with the Commission subsequent to this filing, the Company will file conforming changes to P.S.C. No. 11 as appropriate.

Copies of this filing (except for the tariff itself) are being mailed electronically to all parties to Case 09-E-0428. The tariff can be viewed on the Commission's website or on the Company's website, at www.coned.com/rates, under "Schedule for Economic Development Delivery Service, P.S.C. No. 11 – Electricity – PENDING."

The Company will provide for public notice of the proposed P.S.C. No. 11 and P.S.C. No. 12 by means of newspaper publication once a week for four consecutive weeks prior to the effective date of the proposed tariff changes.

Sincerely,

/s/ Christine Colletti

Christine Colletti

Director

Rate Engineering Department

⁹ These Statements are currently applicable to EDDS No. 2 and will be filed for P.S.C. No. 11: Statement of Percentage Increase in Rates and Charges (GRT); Statement of Rate Adjustment Clause (RAC-EDDS); Statement of EDDS Surcharge to Collect PSL Section 18-a Assessments (PSL-EDDS); and Statement of Smart Grid Surcharge (SGRID-EDDS).

Attachment A – Page 1 of 2

EDDS No. 2 – Common Provisions Special Provisions (Leaf Nos. 6 through 7-F)

EDDS No. 2		Where reflected in P.S.C. No. 11	
Leaf	Common Provision	Leaf	Tariff Section
6	Increase in Rates and Charges	7	Common Charges
6	Determination of Demand	8	General Provisions – Determination of Demand
6-A	Metering Services	9	General Provisions – Metering Services
6-A thru 6-A-2	Reactive Power Demand Charge	7	Common Charges
7	Billing Adjustments	12	Additional Delivery Charges and Adjustments – A
7	Terms of Payment	19	Special Provision G
7	Term of Service	18	Special Provision A
7	Definition of Billing Periods		Didn't transfer text. This rule is covered under Additional Rules, par. (1): proration rules are described in General Rule 10.5 of P.S.C. No. 10.
7-A	n/a (blank page)		
7-B	System Benefits Charge	13	Additional Delivery Charges and Adjustments – B (Transferred text from par. (a) only. Par. (b) of Leaf 7-B was obsolete.)
7-B	Monthly Adjustment Clause		n/a – obsolete
7-C	Rate Adjustment Clause	9	General Provisions – Rate Adjustment Clause
7-D	Delivery Revenue Surcharge		n/a – obsolete
7-D	Surcharge to Collect PSL 18-a	14	Additional Delivery Charges and Adjustments – C
7-E	Smart Grid Projects	15 - 16	Additional Delivery Charges and Adjustments – D
7-F	Charge for Demand Management Programs	17	Additional Delivery Charges and Adjustments – E

EDDS No. 2 – Special Provisions (Leaf Nos. 8 through 11)

<i>EDDS No. 2</i>		<i>Where reflected in P.S.C. No. 11</i>	
Leaf	Special Provision	Leaf	Tariff Section
8	A	10	Billing of Charges, par. (1)
8	B	10	Billing of Charges, par. (1)
8-A	n/a (blank)	n/a	
9	C	18	Special Provision B
9	D	18	Special Provision C
9	E	18	Special Provision D
9	F	18	Special Provision E
9	G		Didn't transfer text: This rule is covered under Additional Rules, par. (2) and par. (3) on Leaf 11
10	H	10	Billing of Charges, par. (2)
10	I	19	Special Provision F
10	J		Didn't transfer text. This rule is covered under Additional Rules, par. (1): proration rules are described in General Rule 10.5 of P.S.C. No. 10.
10	K	11	General Provisions – Applications for Service
10	L	11	Additional Rules, par. (1)
10	M		Didn't transfer text: This rule is covered under Additional Rules, par. (4). Rider P applicability is described in General Rule 24 of P.S.C. No. 10.
11	N		Didn't transfer text: This rule is covered under Additional Rules, par. (4), and on Leaf 322 of P.S.C. No. 10.

PSC No. 10 - Electricity

Leaf 177 – Revision 1
Superseding Revision 0

Leaf 240 – Revision 1
Superseding Revision 0

Leaf 357 – Revision 1
Superseding Revision 0

Leaf 501 – Revision 1
Superseding Revision 0

Leaf 502 – Revision 1
Superseding Revision 0

Leaf 503 – Revision 1
Superseding Revision 0