

Public Service Commission Audrey Zibelman Chair

> Patricia L. Acampora Gregg C. Sayre Diane X. Burman Commissioners

Kimberly A. Harriman General Counsel Kathleen H. Burgess Secretary

Three Empire State Plaza, Albany, NY 12223-1350 www.dps.ny.gov

August 3, 2015

(Via E-mail) Anna Chacko Senior Associate General Counsel Consolidated Edison Company of New York 4 Irving Place New York, NY 10003 chackoa@coned.com

Re: Case 14-M-0101 – Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision; Demonstration Project Proposals.

Dear Ms. Chacko:

I am writing to advise you of the current status of Staff's review of your proposed REV demonstration projects; the Building Efficiency Marketplace, Virtual Power Plant, and CONnectED Home Platform filed on July 1, 2015 by Consolidated Edison Company of New York.

I am pleased to inform you that Staff has determined that the Building Efficiency Marketplace and Virtual Power Plant projects comply with the objectives set forth in Ordering Clause 4 of the Commission's *Order Adopting Regulatory Policy Framework and Implementation Plan*, issued February 27, 2015 in the above referenced proceeding.

Staff will be contacting you in the next few days to schedule a meeting at the earliest convenience of the project teams. During that meeting Staff will review the

basis of its determination which will be memorialized in reports setting forth the details of Staff's assessment. The assessment reports will be filed with the Secretary of the Commission.

During the meeting Staff will also discuss development of detailed implementation plans, including detailed schedules, budgets, projected milestones and appropriate metrics for the Building Efficiency Marketplace and Virtual Power Plant projects. The implementation plans are expected to evolve and incorporate lessons learned or new developments within the scope of the project. The project implementation plans will be updated quarterly and will include the reporting obligations set forth in the above referenced Order. Once developed, implementation plans and updates for each project will be filed with the Secretary of the Commission.

I also want to inform you that Staff believes that while the CONnectED Home Platform represents a potential, relevant and innovative REV demonstration project, further development is required in order to determine compliance with the Commission's Order. During the upcoming meeting, Staff will provide details regarding the basis of its assessment, and the additional information needed to complete its review. Staff will also work with the company's team to establish a mutually agreeable schedule for the submission of addendums to the project's July 1, 2015 filing.

If you have any questions, please contact either Tammy Mitchell at Tammy.Mitchell@dps.ny.gov or 518-486-2462, or Marco Padula at Marco.Padula@dps.ny.gov or 518-474-6694. My colleagues and I look forward to continuing to work the Company in the further evaluation and implementation of these projects.

Sincerely

Scott Weiner Deputy for Markets and Innovation

CC:

(Via E-mail) James Brennan Department Manager, REV Demonstration Projects Consolidated Edison Company of New York 4 Irving Place New York, NY 10003 BRENNANJA@coned.com