

Filed Session of May 16, 2013
S.P.O. 11-E-0176SP
Approved as Recommended
and so Ordered
by the Commission

JEFFREY C. COHEN
Acting Secretary

Issued and Effective May 16, 2013

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

May 1, 2013

TO: THE COMMISSION

FROM: OFFICE OF ELECTRIC, GAS AND WATER
- Tariffs, Electric Supply and Small Utility Rates Section

SUBJECT: CASE 11-E-0176 – In the Matter of the Commission’s Implementation of
Certain Provisions of the Recharge New York Power Program Act.

Tariff filing by Consolidated Edison Company of New York, Inc. to
Modify its Allocation Ratio Under General Rule 11 – Billing Applicable to
Service Under Certain Economic Development Programs.

SUMMARY OF

RECOMMENDATION: Staff recommends that the tariff filing be allowed to become
effective.

Summary

Consolidated Edison Company of New York, Inc. (Con Edison or the
Company) filed amendments to its tariff, P.S.C. No. 10 – Electricity, to revise General
Rule 11 - Billing Applicable to Service under Certain Economic Development Programs
(General Rule 11) to provide an Allocation Ratio for standby service customers that is
consistent with the method used for non-Standby Service customers. The modification is
being made at the request of the New York Power Authority (NYPA) because a Standby

Service customer was recently granted an award under the Recharge New York (RNY) Power Program and the proposed change will increase the benefit under the program. Staff has reviewed the Company's filing and recommends it be allowed to become effective.

Proposed Tariff Filing

On February 1, 2013, Con Edison proposed revising General Rule 11 of Schedule P.S.C. No. 10 – Electricity to change the Allocation Ratio applicable to Standby Service customers pursuant to NYPA's request. Specifically, NYPA requested that the Allocation Ratio for Standby Service customers be made the same as the Allocation Ratio for non-Standby Service customers. Con Edison states that as a result of the proposed change, when a Standby Service customer's registered monthly maximum demand is lower than its contract demand, more of the electricity will be supplied by NYPA and less by Con Edison or the customer's energy service company (ESCO) thereby increasing the benefit to the customers.

Public Notice

Pursuant to the State Administrative Procedure Act, a Notice of Proposed Rulemaking was published in the State Register on February 27, 2013. The comment period has ended and no comments have been received on the Company's filing.

Discussion & Recommendation

The Company's General Rule 11 sets forth the billing conditions that apply to customers that receive some of their power requirements through certain NYPA economic development programs. These programs include RNY, as well as World Trade Center Power, Special Provision 8 of the Company's PASNY Tariff, PSC No. 12 – Electricity. General Rule 11 specifies that energy and reactive power demand will be allocated to each economic development program based on the Allocation Ratio. For non-Standby customers, the Allocation Ratio is determined by the customers demand

served under the economic development program, divided by the customer's registered monthly maximum demand. For Standby Service customers, the Allocation Ratio equals the ratio of the demand served under the economic development program, divided by the Standby Service customer's contract demand. In either case, the Allocation Ratio is multiplied by the customer's total kilowatt-hour usage for the month to determine the amount of electricity to be supplied by NYPA. The balance of the customer's requirement is then served by Con Edison or by an ESCO.

Because Standby Service customers' contract demands are fixed at the customer's highest peak demand, Standby Service customers with NYPA power allocations do not generally receive the full benefit of their NYPA power allocations. The proposed modification of the Allocation Ratio increases Standby Service customers' NYPA power allocation by reducing the denominator in the calculation to equal the Standby Service customer's actual measured monthly peak demand. This change will result in more low cost electricity being delivered by NYPA.

The RNY Implementation Agreement (Agreement) between NYPA and Con Edison, executed on June 28, 2012, includes a provision that states "In the event that the Company delivers power and energy to a Program Participant that is served under a standby service rate, the Company shall perform the load splitting in accordance with the methodology detailed in the Company's Tariff, but the Company agrees to negotiate in good faith with the Authority to determine the most appropriate load splitting methodology and to file tariff modification with the PSC, if necessary". This proposed modification satisfies that provision of the Agreement. Recently a Standby Service customer was granted an award under the RNY program. NYPA subsequently requested the Company modify the Allocation Ratio for Standby Service customers to make it consistent with the method used for non-Standby service customers. The instant tariff filing accommodates NYPA's request. Staff recommends the proposed change be allowed to become effective because the modification allows Standby Service customers to receive increased low cost NYPA power.

Finally, Con Edison has requested waiver of newspaper publication because there is only one Standby Service customer that receives service under RNY. The Company notified both the customer and NYPA of the proposed filing. Staff recommends that the waiver be granted.

It is recommended that the amendment listed in the Appendix be allowed to become effective and special permission be granted waiving the requirement of Section 66(12)(b) of the Public Service Law as to newspaper publication of the proposed changes.

Respectfully submitted,

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Approved by:

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Office of Electric, Gas and Water

SUBJECT: Filing by CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Amendment to Schedule P.S.C. No. 10 – Electricity

Third Revised Leaf No. 97

Issued: February 1, 2013

Effective: May 20, 2013

SAPA: 11-E-0176SP11 – STATE REGISTER – February 27, 2013

SPECIAL PERMISSION APPLICATION: 11-E-0176SP

NEWSPAPER PUBLICATION: Waived.