STATE OF NEW YORK PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on January19, 2012

COMMISSIONERS PRESENT:

Garry A. Brown, Chairman Patricia L. Acampora Maureen F. Harris Robert E. Curry, Jr. James L. Larocca

CASE 11-E-0513 - Petition of Mitsubishi Electric & Electronics USA, Inc. for a Declaratory Ruling Concerning whether use of its split-ductless VRF TechnologyTM in residential applications would constitute electric submetering and require approval pursuant to Part 96.

ORDER GRANTING DECLARATORY RULING

(Issued and Effective January 23, 2012)

BY THE COMMISSION:

INTRODUCTION

Pursuant to 16 NYCRR §8.1(a)(1), by petition dated September 16, 2011, Mitsubishi Electric & Electronics USA, Inc. (MEEU) seeks a declaratory ruling concerning whether use of its split-ductless VRF TechnologyTM (MEEU System or System) in residential applications would constitute electric submetering and require approval pursuant to 16 NYCRR Part 96. MEEU indicates that its customer is ready to install the MEEU System in its newly constructed residential apartment building comprised of 98 rental units located at 958 Nostrand Avenue, Brooklyn, New York. MEEU states that each individual apartment unit is directly metered by Consolidated

Edison Company of New York, Inc (Con Edison) and that the common areas of the building are separately metered.¹

Petitioner states that its customer's attorney filed a petition on June 7, 2011 seeking authority to use the MEEU System, but claims the petition failed to accurately and sufficiently explain the MEEU System, thus potentially causing confusion. However, MEEU is incorrect in characterizing the June 7th filing as a petition. As the document clearly indicates, it was not actually filed with the Commission, but provided to Department of Public Service staff (Staff) for review and comment prior to its filing with our Secretary. In MEEU's petition for declaratory ruling, MEEU seeks to explain how its System works and why it believes it is not a submetering system. Based on the facts and assertions presented by MEEU, for the reasons discussed below, we find and declare that use of the MEEU System does not constitute electric submetering and does not require approval pursuant to 16 NYCRR Part 96.

BACKGROUND

In its filing, MEEU describes the MEEU System as a split-ductless system capable of simultaneously providing hot and cold air. It utilizes an inverter-driven compressor that automatically adjusts to changing conditions so as to use only the amount of energy needed to satisfy tenant demand for heat or air conditioning, and thus according to the Petitioner, increasing efficiency.² The MEEU System consists of an

¹ Pursuant to 16 NYCRR §8.2(b), MEEU provided a copy of the petition for declaratory ruling to Con Edison on October 13, 2011. Con Edison did not file a response to MEEU's petition.

² While MEEU characterizes its System as energy efficient, it has not filed with the Secretary any information to substantiate that claim. In the June 7, 2011 letter to Staff (provided with the petition for declaratory ruling), the building owner asserts that the MEEU System is more efficient because it uses a single large compressor for multiple apartments (rather than a small compressor for each apartment), and because the MEEU System utilizes a variable speed compressor and variable speed fans in the air handling units.

outdoor condensing units located on the building roof and indoor air handling unit(s)(AHU). The indoor AHUs in each individual apartment unit are connected to the individual apartment's electrical panel, which is provided electricity by Con Edison on an individual basis. Refrigerant lines along with power and control wiring connect the outside condensing unit to multiple AHUs located in each apartment, and each outside condensing unit serves approximately six apartment units.

The MEEU System proposed to be used at 958 Nostrand Avenue, Brooklyn, New York would use Petitioner's billing software in conjunction with electric meters installed at each of the condensing units on the roof of the building. No electric meters are installed in the individual apartment units. The MEEU System calculates the amount of heating and cooling usage in each individual apartment unit and uses this information to allocate the cost of meeting this usage, individually, to the cost of electricity consumed by the associated compressor on the roof. Thus, according to MEEU, the System does not measure electrical usage attributable to each individual apartment. Rather, it measures heating and cooling usage which is determined by sensors in the AHUs that measure the length of time the valve on each AHU is open. The usage is then used to allocate to the total kWh used by the compressor associated with the MEEU System.

DISCUSSION AND CONCLUSION

Based upon the facts and representations presented to us by MEEU, we find and declare that the proposed use of the MEEU System at 958 Nostrand Avenue, Brooklyn, New York does not constitute electric submetering and does not require our approval pursuant to 16 NYCRR Part 96. The information presented to us in MEEU's filing leads us to conclude that the system measures only the "run-time" of each AHU in each apartment unit so as to allocate the energy usage of the rooftop compressor associated with the AHUs (and the apartment units) it serves. This declaratory ruling shall not in any way be construed as an approval of, nor an endorsement of, the Mitsubishi Electric & Electronics USA, Inc. split-ductless VRF TechnologyTM system.

The Commission finds and declares:

1. As described more fully in the body of this ruling, based on the facts and assertions presented by Mitsubishi Electric & Electronics USA, Inc., we find and declare that the proposed use of Mitsubishi Electric & Electronics USA, Inc.'s split-ductless VRF TechnologyTM (MEEU System) at 958 Nostrand Avenue, Brooklyn, New York does not constitute electric submetering and does not require Commission approval pursuant to 16 NYCRR Part 96.³

2. This proceeding is closed.

By the Commission,

(SIGNED)

JACLYN A. BRILLING Secretary

³ This declaratory ruling shall not in any way be construed as an approval of, nor an endorsement of, the Mitsubishi Electric & Electronics USA, Inc. split-ductless VRF TechnologyTM system.