STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

June 29, 2011

TO: THE COMMISSION

FROM: OFFICE OF ELECTRIC, GAS & WATER – Electric Rates


Case 09-E-0115 – Proceeding on Motion of the Commission to Consider Demand Response Initiatives.

Consolidated Edison Company of New York, Inc. filed a Plan for Providing Commercial Demand Response Participants with Access to Meter Data in a Manner that Supports Market Requirements and Customer Needs, in compliance with the Commission’s January 20, 2011 Order in the above-referenced proceedings.

SUMMARY OF RECOMMENDATION: Staff recommends that the Company’s proposed plan be approved.

SUMMARY

By Order issued January 20, 2011, the Commission directed Consolidated Edison Company of New York, Inc. (Con Edison or the Company) to file, within 60 days of the issuance of the Order, a revised meter data access plan (Plan) for Commission
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approval that includes updated costs and an expanded scope to include participants in the Company’s Distribution Load Relief Program (DLRP or Rider U), the Commercial System Relief Program (CSRP or Rider S), and the Critical Peak Rebate Program (CPRP or Rider T).¹ Con Edison filed on March 21, 2011 a proposed Plan which would enable all commercial demand response program participants to access their meter data during demand response events and tests. Staff has reviewed the Company’s revised meter data access plan and recommends that the Commission approve the Plan.

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), notice of the filing was published in the State Register on April 27, 2011. The comment period expired on June 13, 2011 and no comments were received.

BACKGROUND

As noted above, in the Order Modifying DR Programs, the Commission directed the Company to file a modified meter data access plan that includes updated costs and expanded access to Rider S and Rider T participants in addition to Rider U participants. The need for an updated plan is the result of changes the Company has made to its meter data information system to support its Mandatory Hourly Pricing program customers. In addition, participants in the new peak-shaving programs under Rider S and Rider T require similar access to meter data. The following is a summary of the Company’s proposed Plan with the associated costs and timeline for implementation.

The Proposed Plan

Presently, individual participants and aggregators are unable to directly view meter demand data during demand response events. The Company proposes to make fifteen (15) minute data available to all commercial demand response program participants, including aggregators, during the two hour notification periods and demand response events.

¹ Case 09-E-0115, et al., Proceeding on Motion of the Commission to Consider Demand Response Initiatives, Order Adopting Modifications to Demand Response Programs (issued January 20, 2011)(Order Modifying DR Programs).
Under the Company’s proposed Plan, three tasks must be accomplished. The first task is to expand the existing communication capacity to provide the required bandwidth needed to retrieve the meter data. Second, the Company will configure its new Curtailment Manager application to provide interval consumption data and baseline information to participants over the Internet. Finally, the Company must integrate the various demand response systems to ensure reliability, and proper coordination. According to Con Edison, it estimates that it will implement the Plan in five months from Commission approval.

Con Edison indicates that the costs for the Plan include an initial implementation cost of $413,000 as well as an annual operation and maintenance cost of $148,000. The Company proposes to recover its initial and recurring costs of the Plan through the Monthly Adjustment Clause (MAC) and from the New York Power Authority (NYPA) delivery rate classes in the same manner that all of the other Con Edison demand response program costs are recovered.

DISCUSSION AND RECOMMENDATION

Staff has reviewed the Company’s proposed Plan to provide access to meter data to all commercial demand response program participants and finds it to be reasonable and meets the requirements of the Order Modifying DR Programs. The Plan will allow the Company to provide all commercial participants in demand response programs the ability to directly view 15 minute meter demand data during notification periods and demand response events over the Internet. Providing the participants access to more frequent meter data, specifically during notification periods, demand response events or tests, will enable them to improve and evaluate their performance, which ultimately will benefit the participant, as well as the Company.

Staff finds the five month schedule to implement the Plan to be reasonable. This schedule will allow for the system to be fully functional and reliable prior to May 2012 to ensure its availability during the critical summer period of 2012. Furthermore, to provide Staff with an update, the Company should be required to report on the status of
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this plan and its implementation in the Company’s next demand response program assessment report due December 1 of each year.

Finally, Staff has reviewed the Company’s estimated annual and one-time implementation costs and finds them to be reasonable. As discussed above, since the costs to implement the Plan are directly related to the demand response programs, they should be recovered as the Company proposed, through the MAC and the NYPA delivery rate classes.

Recommendation

It is recommended that:

1. Consolidated Edison Company of New York, Inc.’s Plan for Providing Commercial Demand Response Participants with Access to Meter Data in a Manner that Supports Market Requirements and Customer Needs be approved;

2. expenditures of up to $413,000 for the initial implementation cost of the Plan and $148,000 for recurring annual operation and maintenance costs related to the Plan be approved;

3. Consolidated Edison Company of New York, Inc. be allowed recovery of the Plan costs through the MAC and the NYPA delivery rate classes;

4. Consolidated Edison Company of New York, Inc. be directed to file a report on the status of the Plan and its implementation in the Company’s next demand response program assessment report due December 1 of each year; and

5. these proceedings be continued.

Respectfully submitted,

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