STATE OF NEW YORK PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission to Develop Dynamic Load Management Programs

Case 14-E-0423

PETITION OF CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. FOR APPROVAL OF CHANGES TO ITS BRING YOUR OWN THERMOSTAT PROGRAM

The Bring Your Own Thermostat (BYOT) Program is a residential and small commercial customer demand response program that addresses contingency and peak shaving needs by reducing participants' electric load during times of critical distribution system need. Under current rules, BYOT customers may not co-enroll in the New York Independent System Operator's Special Case Resource (SCR) Program, which is a wholesale demand response program. Con Edison proposes changes to Rider L¹ to its Electric Tariff to permit dual participation. The Commission should permit such dual participation because it would expand available load relief opportunities to both Con Edison's distribution system and the wholesale market.

Rider L Participants Should Be Permitted to Co-Enroll in the Company's BYOT Program and NYISO's SCR Program

Under NYISO rules, BYOT Program participants are eligible to participate in NYISO's SCR Program.² But BYOT Program participants may not, under Rider L, participate in NYISO's

¹ See, Con Edison's Schedule for Electricity Service, P.S.C. No. 10 – Electricity (Tariff) – Rider L - Direct Load Control Program. The proposed Tariff changes are detailed in Appendix A (version with drafted redlines) and Appendix B (clean version).

² This is a change due to the completed installation of AMI meters throughout the Company's service territory. Prior meters did not meet NYISO participation requirements whereas AMI meters do. Currently, Con Edison residential and small commercial customers with AMI meters can participate in the NYISO's SCR Program, as individuals or as a part of a Small Customer Aggregation (SCA). *See*, NYISO Demand Response Programs, Frequently Asked Questions (FAQs) for Prospective Resources (December 16, 2020).

SCR Program. This restriction was enacted to prevent double counting the participant's load reduction across overlapping programs.

But double counting is no longer a concern because the two programs compensate different load reduction benefits. The SCR Program avoids additional installed capacity. In 2021, Con Edison updated the BYOT benefit-cost-analysis (BCA) so that its value stream no longer includes the benefits associated with avoiding additional installed capacity (also called Avoided Generation Capacity Costs). Instead, the BYOT compensates load relief. As such, a customer's load reduction would not be double counted if they participated in both programs and therefore, the Company proposes to remove this restriction.

The Company also proposes to remove its ability to call BYOT Program events when NYISO activates its SCR Program. The Company's Commercial System Relief Program (CSRP) and Distribution Load Relief Program (DLRP) cannot activate events based on SCR Program activation, and these programs currently allow co-enrollment in both the Company and NYISO SCR programs. While Con Edison can currently call BYOT Program events when NYISO activates its SCR Program, it is not mandatory for the Company to do so. The Company has not activated the BYOT Program in response to a NYISO event for at least a decade. Therefore, if the Company were to remove its ability to call BYOT Program events when NYISO activates its SCR Program, such a change would minimally impact the BYOT Program's impact on load relief and align the BYOT Program operationally with the rest of the Company's DR portfolio.

As such, the Company proposes to remove the NYISO SCR Program from the enrollment restrictions in its Rider L tariff. The Company also proposes to remove its ability to call BYOT Program events when the NYISO activates its SCR Program. Such changes would enable Con Edison's 24,000 BYOT Program participants to co-enroll in the NYISO SCR Program, giving them additional opportunities to provide load reduction and contribute to electric system reliability.

Conclusion

As described herein, the Company requests that the Commission approve these proposed

program changes to enhance the system value provided by the Company's BYOT Program.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By: /s/ Mary Krayeske

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Dated: March 3, 2025

<u>Appendix A</u>

Proposed changes to Rider L - Direct Load Control Program of the Tariff to conform to the changes described in the Petition (Redlined Version):

GENERAL RULES

24. Service Classification Riders (Available on Request) - Continued

RIDER L - DIRECT LOAD CONTROL PROGRAM - Continued

C. Definitions - Continued

An "Event" may be declared by the Company when:

1. the NYISO declares an emergency in conjunction with an in day peak hour forecast response to an operating reserve peak forecast shortage as defined in the NYISO Emergency Operations Manual, or in response to a major state of emergency as defined in the NYISO Emergency Operations Manual, or at the NYISO's discretion to relieve system or zonal emergencies;

- 12. a Distribution Load Relief Program ("DLRP"), as defined under Rider T, event is called. A DLRP event is called when the next contingency on the Company's system would result in a Condition Yellow or a voltage reduction of five percent or greater has been ordered. A Condition Yellow exists when the next contingency (excluding breaker failure) either will result in an outage to more than 15,000 customers or will result in some equipment being loaded above emergency ratings; or
- 23. a Commercial System Relief Program event is called as defined under Rider T.

4. the NYISO activates its program under the NYISO Installed Capacity procedures for Special Case Resources for day time peaking networks.

"Service Provider" means a provider registered with the Company to develop, maintain, and operate a communications portal that enables Internet-connected Control Devices to participate under this Rider. A list of current Service Providers is available on the Company's website.

A "Test Event" is called under Rider L to test participant responses to the signal sent to a Control Device. A Test Event may last up to four hours.

D. Applications

Customers or Tenants may apply to participate under this Rider throughout the year, either electronically, in writing, or by phone.

PSC NO: 10 – Electricity Consolidated Edison Company of New York, Inc. Initial Effective Date: 08/01/2023 Issued in compliance with Order in Case 22 E 0064 dated 07/20/2023 Leaf: 213.1 Revision: 4 Superseding Revision: 2

GENERAL RULES

24. Service Classification Riders (Available on Request) - Continued

RIDER L - DIRECT LOAD CONTROL PROGRAM - Continued

G. Restrictions

A participant may not enroll a Control Device in both Rider L and any other Company-or NYISO demandresponse program (e.g., the NYISO Special Case Resources Program, the Company's Rider T program, or the Company's Rider AC program).

<u>Appendix B</u>

Proposed changes to Rider L - Direct Load Control Program of the Tariff to conform to the changes described in the Petition (Clean Version):

PSC NO: 10 – Electricity Consolidated Edison Company of New York, Inc. Initial Effective Date: Leaf: 212 Revision: Superseding Revision:

GENERAL RULES

24. Service Classification Riders (Available on Request) - Continued

RIDER L - DIRECT LOAD CONTROL PROGRAM - Continued

C. Definitions - Continued

An "Event" may be declared by the Company when:

- 1. a Distribution Load Relief Program ("DLRP"), as defined under Rider T, event is called. A DLRP event is called when the next contingency on the Company's system would result in a Condition Yellow or a voltage reduction of five percent or greater has been ordered. A Condition Yellow exists when the next contingency (excluding breaker failure) either will result in an outage to more than 15,000 customers or will result in some equipment being loaded above emergency ratings; or
- 2. a Commercial System Relief Program event is called as defined under Rider T.

"Service Provider" means a provider registered with the Company to develop, maintain, and operate a communications portal that enables Internet-connected Control Devices to participate under this Rider. A list of current Service Providers is available on the Company's website.

A "Test Event" is called under Rider L to test participant responses to the signal sent to a Control Device. A Test Event may last up to four hours.

D. Applications

Customers or Tenants may apply to participate under this Rider throughout the year, either electronically, in writing, or by phone.

PSC NO: 10 – Electricity Consolidated Edison Company of New York, Inc. Initial Effective Date: Leaf: 213.1 Revision: Superseding Revision:

GENERAL RULES

24. Service Classification Riders (Available on Request) - Continued

RIDER L - DIRECT LOAD CONTROL PROGRAM - Continued

G. Restrictions

A participant may not enroll a Control Device in both Rider L and any other Company demand-response program (e.g., the Company's Rider T program, or the Company's Rider AC program).