PENDING PETITION MEMO

Date: 10/4/2007

TO : OCS
OGC

FROM: CENTRAL OPERATIONS

UTILITY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

SUBJECT: 07-E-1189

Petition of RCP-East LLC to submeter electricity at 1330 First Avenue, New York, NY, located in the territory of Consolidated Edison Company of New York, Inc., filed in C 26998.

435 East 70th Street
New York, New York 10021
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ROYAL CHARTER PROPERTIES, INC.

Martin Cohen
Senior Vice-President

October 3, 2007

Ms. Jaclyn Brilling
Acting Secretary of the Public Service Commission
Office of Consumer Education and Advocacy
State of New York
3 Empire State Plaza, 14th floor
Albany, NY 12223-1350

Re: Petition to Submeter Electricity at a Newly Constructed Apartment Building located at 1330 First Avenue, New York, NY 10021

Dear Ms. Brilling:

RCP-East, LLC ("RCP"), as Owner of the above referenced property, hereby submits this petition for Public Service Commission approval, pursuant to Section 96.2 of the Commission's Rules and Regulations, to submeter a newly constructed, 343 unit residential complex located within the service territory of Consolidated Edison Company, Inc, at 1330 First Avenue, New York, NY 10021. The construction of this complex began in October 2006 and will be concluded in November 2008. This building falls under the jurisdiction of the City of New York Department of Housing Preservation and Development, (HPD) to the extent that thirteen (13) units will be rent regulated under HPD's Lower Income Housing Program. The remainder of the units will be licensed as staff housing to employees and other medical personnel of New York Presbyterian Hospital (with whom RCP-East, LLC and its not-for-profit sole member, Royal Charter Properties-East, Inc., are affiliated).

As set forth below, 1330 First Avenue's sub metering plan meets all requirements of the Commission's Rules for submetering of new or renovated master-metered rental units in accordance with Part 96.2c Residential Submetering (Public Service Law, §§65, 66) owned by private or governmental entities. RCP respectfully requests approval of its petition.

1. Economic advantages of submetering over direct utility metering

The utilization of the Quadlogic Controls submetering system will drastically reduce the overall wiring requirements for this project. Currently Consolidated Edison Company (Con Edison) installs meters in a single location to facilitate the monthly reading of those meters. This requires extensive runs of wiring from each meter in the central submetering room to the apartment that it serves. Quadlogic meters communicate over the existing electrical wires in the building. They do not require additional communication wires. Therefore, submetering

with Quadlogic equipment significantly reduces the wiring requirements for the building as compared to direct metering, thus reducing construction costs.

The submetering system to be installed will include remote reading capabilities utilizing Power Line Carrier. This communication will allow a more cost-effective submetering system due to the elimination of control wiring. Each of the meters will communicate daily over the existing power lines in the building using a data collection device referred to as a Scan Transponder. The data that is sent to the Scan Transponder will include the hourly usage of electricity for each apartment in the building.

The advantages to the Quadlogic submetering system are many, and include fair energy cost allocation based on actual resident consumption. In addition, residents have an incentive to save energy, as seen in studies showing up to 20% conservation in buildings using submetering systems. The Quadlogic system also has the advantages of daily data availability for usage analyses and the convenience of a remotely read system, whereby entry to the premises is not required for meter reading.

2. Description of the submetering system to be installed, including a validation of its reliability and accuracy

Quadlogic Control Corporation's MiniCloset-5 meters measure usage in kilowatt-hours, VARs, VAs, Watts, Amps, and Power Factor. Other features of this meter include a non-volatile memory and an easy to read LCD 6-digit display. Additionally, the meter monitors and stores an apartment's hourly electric usage and retains this information for approximately 60 days.

Remote reading capability is possible through the use of Quadlogic Controls Power Line Carrier system, which is installed in more than 30,000 apartment units nationwide. The system also features sophisticated self-diagnostics to ensure reliable operations. Please see attached Quadlogic Specifications for details.

3. Method to be used to calculate rates to tenants

In no event will the total annual rates (including a monthly administrative charge) exceed the utility's tariffed residential rate for direct metered service to such residents as specified in Part 96.2b3 Residential Submetering (Public Service Law, §§65, 66).

Quadlogic Controls Corp., as the 1330 First Avenue's electric billing company, will read the meters monthly and process a bill based on the actual consumption of the resident.

4. Complaint procedures and tenant protections

When a complaint is made by a resident, the following procedures will be utilized:

> Resident should submit the complaint to the Owners Housing Office of the complex, which may be in written form, including the action or relief requested. The Owners Housing Office shall investigate and respond to the complaint. Tenants will be instructed that should they have any complaints regarding electricity charges, they also may be addressed to the Public Service Commission.

Additionally, no tenant of 1330 First Avenue Apartments will have his or her electricity disconnected for non-payment of electric bills. Tenant electric bills from electric billing company will contain information including opening and closing meter reads, a

breakdown of dollar amounts billed, the total charge for the period and the total amount due. A sample Quadlogic electric bill is attached.

5. Procedure for notifying all tenants of the proposal to submeter

A section in the lease will notify each tenant that their apartment unit is submetered for electricity in lieu of direct metering from Con Edison. The lease provision will in plain language describe the billing process, complaint procedures and tenant protections and will affirm that rates will be in compliance with the Home Energy Fair Practices Act.

Due to construction of this building, there are no existing tenants to be notified at this time.

6. Enforcement mechanism is available to tenants

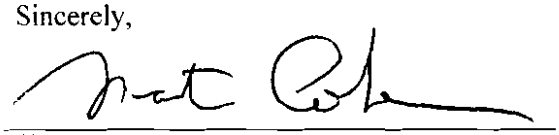
The complaint procedure detailed in section 4 above constitutes the tenant's standard enforcement program, which are in compliance with the Home Energy Fair Practices Act.

7. Certification that the lease language shall be sufficient to describe all relevant information to the tenant

RCP, by the undersigned, hereby certifies that the method of rate calculation, complaint procedures, and tenant protections, consistent with the Home Energy Fair Practices Act and the enforcement mechanisms, will be incorporated in plain language in all future leases and license agreements.

Thank you in advance for your attention to this matter. Please do not hesitate to contact me directly with any comments or questions.

Sincerely,



Signature

Martin Cohen, Senior Vice President
Name (printed)

RCP-East, LLC
Company Name

[g:\tpw\letters\Jaclyn Brilling PSC-Submetering Petition 1330 First]

MAKE PAYMENT TO

PLEASE PAY BY:

METER NO.	PREVIOUS READING	CURRENT READING	USAGE - KWH	AMOUNT - $	RATE - $

USAGE - KWH

AMOUNT DUE - $

TENANT

RETAIN THIS PORTION FOR YOUR RECORDS

RETURN THIS STUB WITH PAYMENT

Lease Rider
1330 First Avenue

In the event that your use of electricity will be measured by Owner on a sub-metered basis. You acknowledge that your electricity charge shall be due and payable and billed by Owner on a monthly basis, together with the rent. Your electricity charge is due without offset or abatement on the first day of each and every month for which a bill is rendered. The charge for electricity shall be deemed additional rent.

Your electricity rate shall not exceed the maximum rate as specified in part 96.2b3 Residential Submetering (Public Service Law, 65, 66) and in compliance with the Home Energy Fair Practices Act.

Should you have any questions regarding your electricity charges, you may contact Owner's housing office. Any complaints regarding your electricity charges may be addressed to the Public Service Commission.

DIVISION 16 ELECTRICAL SPECIFICATIONS

ELECTRIC SUBMETERING

PART 1 – GENERAL

1.01 ELECTRONIC POWER METERING

A. Provide electronic power metering where indicated complying with all requirements below. Meter(s) shall be Quadlogic Controls Corp or approved equal.

B. The meters shall be manually readable using local Liquid Crystal Display (LCD) via push-button and automatically readable utilizing Frequency Hopping Spread Spectrum Power Line Carrier Communication ("PLC").

C. The metering system shall consist of the Quadlogic MiniCloset-5, RSM-5/5c, Series 20, Series 10 & Transponder(s) or equal.

D. Sub-metering company shall be ista North America, Minol USA, National Water & Power or other submetering company as designated by the Owner or Owner's representative.

E. Meter shall be configured for residential application and applied on [120/240V] [120/208V] [277/480V] [347/600V] [480V delta 3P3W] [600V delta 3P3W] nominal systems or as indicated on the drawings.

1. Residential Use (kWh):

a. 120/208V single phase, 3 wire (2 pole)
b. 120/240V split phase, 3 wire

2. Commercial/Industrial Use (kWh and Demand):

a. 120/208V, 277/480V and 347/600V, 3 phase/4 wire
b. 480V and 600V Delta, 3 phase/3 wire

F. kW Demand shall be measured and recorded every 60 minutes. (Demand is factory configured in block intervals. Rolling (overlapping) time interval demand shall also be configurable as an option.) Demand shall be recorded along with the time and date at which it occurs. The meter shall be classed as a mass memory interval meter (meters which record and store the energy use by time). The demand interval and optional time-of-use schedules shall be factory programmed and stored in each meter. Daily peak demands shall be capable of being read by a remote computer.

G. The Meter shall have the following Testing and Certification:

1. UL/CUL recognized
2. Meets or exceeds requirements of ANSI C1 and C12.16, ANSI/IEE C37.90.2. ANSI/IEEE C37.90.1, and Measurement Canada.

H. Each meter shall interface to the electrical load being measured with a direct voltage tap, up to 600 VAC, and with 0.1Amp or 5.0A secondary for split and solid core current transformers.

I. Monitoring

1. Provide true RMS measurement of current, volts, %THD, kW, kVA, kVAR, kWh, power factor.

2. The Meter shall have an accuracy of ±0.5% or better.

J. User Interface

1. Reading shall be accessible on a local LCD display. The display shall consist of two rows of 16 characters on each row. The consumption reading shall be up to six (6) digits.
2. Provide an IEC type optical port capable of direct connection to a laptop.

K. The system shall be a fully automated, microprocessor-based electric utility measurement system. The system shall be capable of measuring and recording the usage of electricity and shall be capable of communicating the reading to an optional on-site or remote computer (i.e. the billing computer) via modem or other means of communications.

L. The meter shall not depend on battery power for maintaining functionality. Meter shall monitor all metering parameters and perform communication tasks using a non-volatile flash memory. On-board battery shall only be used in power failure to maintain time, log incoming pulses (if applicable) and to store the data acquired within the incomplete interval at the time of the power failure.

M. Each meter shall be capable of reading minimum of four (4) dry contact, Form A pulse inputs to automate the reading of other utilities such as gas, water or BTU's. MiniCloset-5 shall be capable of reading up to 48 pulses.

N. Each meter shall be equipped with a clock/calendar that automatically accommodates leap years. The clock/calendar shall be backed up by battery and continue operating during power outages. The time and date shall be automatically synchronized by the Scan Transponder(s) and capable of being reset by a remote computer.

O. Each meter shall be complete with internal CT termination and shorting and fuse block <where applicable>.

P. Revenue related metering parameters (i.e. demand intervals) shall be permanent and stored in each individual meter. It shall not be possible to change metering parameters through unauthorized access to the system.

Q. Provide Phase Diagnostic Registers that include multipliers for amperage, voltage and watts, and line frequency. On a per phase basis Phase Diagnostics shall include voltage, VAR phase shift, accumulated kWh and kVARh, and instantaneous amps, watts, VAR's, VA's, phase angle (degrees displacement between current and voltage waveforms), and Power Factor.

R. Provide Event Diagnostic Registers that include time and date and the number of times the time has been changed, number of power downs, power ups and start ups with time and date of last occurrence, and the number of times the accumulated peak demand has been reset, also with the time and date of the last occurrence. Meters that communicate by Power Line Carrier shall also include counts of properly received messages, rejected messages and the numbers of transmissions without replay.

S. On-board Memory Storage

1. The meter shall maintain a minimum of 60-day log of daily Time-of-Use consumption, interval data and peak demand readings along with the time and date at which the daily peak demands occur. The consumptions recorded shall

be the reading at the end of the Time-of-Use period of the end of the day. The peak demand recorded in the log shall be the peak demand for the Time-of-Use period for that day.

2. Each meter shall maintain a minimum of 60-day date logging capacity consisting of fifteen (15) minute or hourly demands with time and date stamp.
3. Memory shall be non-volatile.

T. Control power for the meter shall be obtained via the monitored voltage connections. A separate control power input is not allowed.

U. Communications Interface

1. Where indicated in the drawings, the system shall communicate with a remote computer using one or more of the methods noted below. Preferred method communications method shall be Power Line Carrier Communications.

   a. The meter shall communicate over the electrical power wiring to a Scan Transponder via bi-directional, frequency hopping, spread spectrum power line carrier communications. These signals shall be capable of passing through a single 600/120 or 480/120 transformer. The Scan Transponder and each meter shall select the best available combination of phase, frequency range and baud rate for communication at any given time.
   b. RS-485. Install per manufacture's guidelines and recommended wire specification.

2. All meters shall have as an option a local RS-485 serial port for direct connection to the PC.
3. Individual meters shall be capable of being equipped with a modem for direct connection to a telephone line if necessary.

1.02 SCAN TRANSPONDER

A. Scan Transponders shall be installed to collect data from meters on a daily basis and provide a centralized data access point.

B. All communication shall be direct between a Scan Transponder and each meter, and under the control of the Scan Transponder. Meters will not repeat messages from other meters nor will message routing be determined by meters.

C. A Scan Transponder shall be provided for every 240 electric metering points and one Scan Transponder shall be provided per utility transformer or electrical service. Contractor shall provide required location, quantities and voltage connections for Transponders based on manufacture's specifications and instructions.

D. Scan Transponder shall begin each communication with a meter with verification of clock and meter ID to ensure date integrity.

E. The Scan Transponder shall store downloaded meter values in flash memory and shall hold at least 30 days worth of records.

F. All communication shall be direct between a Scan Transponder and each meter, and under the control of the Scan Transponder.

G. Multiple Scan Transponders shall be connected by Data Link (RS-485).

H. Where indicated on manufacturer's shop drawings, meter shall be connected to the Scan Transponder by Data Link (RS-485).

I. Where indicated on manufacturer's shop drawings, provide a modem on a Scan Transponder for phone line connection to remote computer.

J. Scan Transponder locations shall be approved by manufacture and installed per manufactures' guidelines. Upon request, manufacture shall provide a project specific design for Scan Transponder system.

K. Owner shall provide a dedicated telephone line for remote access to the Transponder.

1.03 SOFTWARE

A. Quadlogic's IQ software or comparable system shall be capable of reading the system, downloading the metered data, and generating energy bills for electricity. (System must also be capable of compiling data from other utility meters such as BTU, gas, water and steam.)

B. Quadlogic's IQ software or comparable system shall be capable of producing graphs and charts for load profiling including intervals ranging from 5 through 60 minute time periods.

C. Data collected through IQ software or comparable must be able to be uploaded to spreadsheet programs for analysis such as Microsoft Excel.