



Consolidated Edison Company
of New York, Inc.
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August 24, 2017

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza, 19th Floor
Albany, New York 12223-1350

RE: Tariff Amendments Related to Rider L - Direct Load Control Program

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. (“Con Edison”) is filing with the Public Service Commission (the “Commission”) amendments to its Schedule for Electricity Service, P.S.C. No. 10 – Electricity (the “Electric Tariff”), applicable to its customers in the City of New York and the County of Westchester. The Company is also filing amendments to its Schedule for PASNY Delivery Service, P.S.C. No. 12 – Electricity (the “PASNY Tariff”),¹ applicable to delivery by the Company of power and associated energy to Authority Public Customers under the PASNY Tariff.

The Company’s schedule leaves are issued with an effective date of December 1, 2017. The specific Electric and PASNY Tariff leaves being revised are identified in Appendix A.

Reason for Filing

The Petition of Consolidated Edison Company of New York, Inc. For Approval to Move a Room Air Conditioning Program to Rider L, Make Changes to Rider L, and Continue Its Connected Devices Pilot with Modifications, dated August 24, 2017 (the “Petition”), proposes changes to: (1) move the room air conditioning retrofit portion of the Connected Devices Pilot (“CDP”) program (“smartAC kit”) into Rider L, including removing the existing MW target; (2) modify the existing Rider L incentive payment methodology and allow non-direct Con Edison customer participation; and (3) continue CDP as a connected devices pilot incubator with total funding capped at an average annual level equal to its existing annual funding level, with elimination of the megawatt (“MW”) target to reflect the removal of the smartAC kit. These changes will provide the Company with the necessary flexibility to continue growing the

¹ This schedule is also titled, “Delivery Service Rate Schedule Implementing and Part of the Service Agreement Between the Power Authority of the State of New York (“PASNY” or “NYPA”) and Consolidated Edison Company of New York, Inc. (the “Company”), dated March 10, 1989, for the Delivery by the Company of Power and Associated Energy to Authority Public Customers.”

smartAC kit technology as a demand response and customer resource, and to develop new innovative programs and approaches with CDP. The Company is proposing tariff changes to conform to the changes outlined in the Petition.

In addition to the items included in the Petition, the Company is proposing housekeeping tariff changes to remove text on annual program cost limitations, clarify the definition of “Event,” specify it no longer will accept new enrollments for a Rider L program, update references from the Residential Smart Appliance Program (“RSAP”) to CDP, clarify restrictions to Rider L, and allow participants to enroll by phone.

Proposed Tariff Changes

The Company is proposing changes to Rider L to conform to the changes outlined in the Petition. Changes include allowing Customer served indirectly under SC 8, SC 12, SC 13 or a PASNY account to participate in Rider L programs, add “Test Events” in order to test participant responses to the signal sent to a Control Device, and defining air conditioning technologies. The amendments to Rider L also specify the incentive amounts for Room Air Conditioner Control Devices and offer additional incentives to reflect market conditions and customer needs.

In addition to the items included in the Petition, the Company is proposing the following housekeeping tariff changes:

- The Company is removing text on annual program cost limitations. As approved in the Commission’s Order Adopting Modifications to the Direct Load Control Program and Instituting the Connected Devices Pilot Program, issued January 25, 2016, in Case 15-E-0593 (“2016 Order”), the Commission authorized the Company to continue the Direct Load Control program “without it being subject to an annual budget cap” (pg. 7).
- The Company is clarifying the definition of “Event” to describe the situations in which Customers’ and Tenants’ Control Devices would receive a signal to provide load relief. For the first reason in the definition of Event for when an Event may be declared, , the Company is deleting references to the section numbers of the NYISO Emergency Operations Manual that define “operating reserve peak forecast shortage” and “major state of emergency,” as these section numbers may change from time to time. For the second reason, the Company is clarifying that this event is referred to as the Distribution Load Relief Program as defined under Rider T. For the third reason, the Company is clarifying that it encompasses two situations: (1) Events may be declared by the Company when a Commercial System Relief Program event is called as defined under Rider T; (2) when the NYISO activates its program under the NYISO Installed Capacity procedures for Special Case Resources for day-time peaking networks.²

² The Commission’s Order Adopting Modifications and Tariff Revisions Related to Demand Response Programs, issued and effective April 19, 2013, in Case 09-E-0115, directed the Company to call Events when the NYISO activates its Special Case Resources Program.

- The Company is clarifying that new enrollments are no longer accepted under the Customers with Central Air Conditioners Receiving a Control Device From the Company program. As described in the Company's annual report Consolidated Edison Company of New York, Inc. Report on Program Performance and Cost Effectiveness of Demand Response Programs, filed on December 1, 2016, in Case 09-E-0115, the Company no longer offers customers the opportunity to enroll in the Company Provided Thermostat ("CPT") option, and will only offer customers the opportunity to enroll a control device for their central air conditioner through the Bring Your Own Thermostat ("BYOT") model. The transition to the BYOT model will benefit customers and the Company by eliminating the high costs of the direct install program, which costs approximately \$400 per thermostat. The BYOT model is significantly less expensive. Technicians will remain available to support customers with currently installed CPTs at no cost to the customer. The costs for the CPT program will continue to be recovered in the Monthly Adjustment Clause.
- The Company proposes to change references from the RSAP to Connected Devices Pilot. These changes align with the 2016 Order which approved renaming the RSAP to Connected Devices Pilot.
- The Company is clarifying the restrictions section to prohibit Rider L Customers or Tenants to remove any ambiguity to receive double incentives for performing under the same Events.
- The Company is adding to accept applications for programs under Rider L to be made by phone to allow flexibility for participants.

Conclusion and Notice

The Company is filing these Tariff amendments to become effective on December 1, 2017. The Company will publish notice of the proposed changes on September 14, 21, and 28, and October 5, 2017.

Sincerely,

/s/ William A. Atzl, Jr.
Director
Rate Engineering Department

Appendix A

List of Revised Tariff Leaves

P.S.C. No. 10 – Electricity

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
211	6	5
212	6	5
213	6	5
213.1	0	
343	8	7

P.S.C. No. 12 – Electricity

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
26	6	5