



Consolidated Edison Company  
of New York, Inc.  
4 Irving Place  
New York NY 10003  
www.conEd.com

June 16, 2017

Honorable Kathleen H. Burgess  
Secretary  
NYS Public Service Commission  
Empire State Plaza  
Agency Building 3  
Albany, New York 12223-1350

RE: Case No. 09-M-0311, Temporary Annual Assessment to be  
Collected Under the Electric and PASNY Tariffs Pursuant to  
Public Service Law §18-a(6)

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") herein submits for filing with the New York Public Service Commission (the "Commission") a Statement of Surcharge to Collect Public Service Law ("PSL") 18-a Assessments to the Company's Schedule for Electricity Service, P.S.C. No. 10 – Electricity (the "Schedule for Electricity Service"), applicable to its customers in the City of New York and the County of Westchester. The Company also submits for filing with the Commission a Statement of Surcharge to Collect PSL 18-a Assessments to its Schedule for PASNY Delivery Service, P.S.C. No. 12 - Electricity ("PASNY Rate Schedule")<sup>1</sup>, applicable to delivery by the Company of power and associated energy to customers of the New York Power Authority under P.S.C. No. 12 – Electricity.

Submitted herewith are the following Statements, which have an effective date of July 1, 2017:

Statement of Surcharge to Collect PSL 18-a Assessments,  
PSL – Statement No. 7 to P.S.C. No. 10 – Electricity

Statement of PASNY Surcharge to Collect PSL 18-a Assessments,  
PSL – PASNY Statement No. 7 to P.S.C. No. 12 – Electricity

---

<sup>1</sup> This is the Delivery Service Rate Schedule Implementing and Part of the Service Agreement between the Power Authority of the State of New York (PASNY) and the Consolidated Edison Company of New York, Inc. (the Company) dated March 10, 1989.

Honorable Kathleen H. Burgess  
June 16, 2017  
Page 2 of 3

### **Reason for Filing**

These Statements are being filed pursuant to the Commission's June 19, 2009 Order ("June 2009 Order"), May 16, 2013 Order ("May 2013 Order"), June 18, 2014 Order ("June 2014 Order") and April 17, 2015 Order ("April 2015 Order") in the above-referenced case and the provisions entitled "Surcharge to Collect Assessments Under Section 18-a of the Public Service Law," in General Rules Section 26.6 of P.S.C. No. 10 – Electricity and in the Additional Delivery Charges and Adjustments Section of P.S.C. No. 12 – Electricity. The June 2009 Order and these provisions require that the Company file a Statement no less than fifteen days before the start of the period that the PSL §18-a surcharges are to be in effect.

The May 2013 Order approved tariff changes to allow for reduced collections in subsequent years. In the PSL §18-a surcharges that were effective in July 2013, the Company recognized over/under collections of past periods and adjusted the surcharges by service class. In this filing, the Company is continuing to adjust the PSL §18a surcharges accordingly.

The June 2014 Order authorized the continuation of the PSL §18a surcharges through December 31, 2017, for utilities whose estimated over collection through June 30, 2014 (excluding the March 2014 assessment payment) is less than their expected March 2015 total assessment payment. Any remaining balance at the end of 2017 shall remain on the books of the utility until it is disposed of through a future Commission action.

### **Statement**

Revised surcharges have been designed to collect PSL §18-a amounts required to be collected above the amount in base rates for the State Fiscal Year 2017-2018 (April through March) inclusive of an adjustment for uncollectible expenses and working capital costs. The amounts required to be collected for the 2017-2018 Fiscal Year were allocated to each Rate Schedule based on their contribution to the Company's total 2016 electric revenues inclusive of gross receipts taxes. Revenues include both delivery and supply charges for all Con Edison service classes (including estimated supply charges for retail access customers)<sup>2</sup> and delivery only charges for the PASNY Rate Schedule. As directed by the June 2014 Order, these amounts will be recovered during the period July 2017 through December 2017 and reflect a reduction in the assessment for Fiscal Year 2017-2018 to one-half of the Temporary State Assessment paid in Fiscal Year 2016-2017.

---

<sup>2</sup> As required by the Commission's June 2009 Order (p.30), utilities are required to submit estimates of energy ESCO revenues used in determining the amount to be collected through the surcharges. Based on applying the average Market Supply Charge per kWh paid by Con Edison full-service customers in 2016, the Company has estimated ESCO commodity revenue, including gross receipts taxes, to be about \$2.0 billion for calendar year 2016.

Honorable Kathleen H. Burgess  
June 16, 2017  
Page 3 of 3

The surcharges also reconcile the difference between prior period PSL §18-a amounts required to be collected and actual amounts collected. The PSL §18-a surcharges that became effective for the 12 months commencing July 1, 2016, recognized over/under collections applicable to prior periods, resulting in adjusted surcharges by customer class.<sup>3</sup> In this filing, the Company is continuing to adjust the PSL §18a surcharges for past period over/under collections. Reconciliation amounts for past periods were determined by allocating the total of the actual PSL §18-a payments made by the Company for each State Fiscal Year, including working capital and uncollectible expense adjustments based on the actual payments, to the Schedule for Electricity Service and the PASNY Rate Schedule based on total electric revenues inclusive of gross receipt taxes and estimated ESCO revenues for the previous calendar year. These amounts were compared with the actual class-specific amounts collected under the surcharges that were in effect under those tariffs.<sup>4</sup> Any differences have been added to the 2017-2018 State Fiscal Year amounts to determine total amounts recoverable from the Schedule for Electricity Service and the PASNY Rate Schedule over the July 1, 2017 through December 31, 2017 period.

Surcharge amounts will be collected from each Con Edison class under the Schedule for Electricity Service on a per kWhr basis, except that amounts will be collected per kW from customers served under SC 11 and SC 5 – Rates III and IV, SC 8 – Rates IV and V, SC 9 – Rates IV and V, and SC 12 – Rates IV and V and as a single amount per monthly bill for SC 13 – Rates I and II.

The Statements filed herewith reflect the unit amounts to be collected over 6 months commencing July 1, 2017. The surcharge applicable to service under the PASNY Rate Schedule was calculated as a single monetary amount that will be billed monthly to NYPA commencing July 2017.

The Company will make a filing on or before December 15, 2017 to reflect the expiration of the surcharges on or after January 1, 2018.<sup>5</sup>

Very truly yours,

/s/

William A. Atzl, Jr.  
Director – Rate Engineering

---

<sup>3</sup> The Commission's May 2013 Order approved tariff changes to allow the Company to reduce collections in the subsequent year if warranted by lower prior period revenues or a large over-collected balance.

<sup>4</sup> June 2017 collections have been estimated. This year's surcharge reflects the true-up of June 2016 collections which were estimated last year.

<sup>5</sup> Per the Commission's June 2014 Order, any reconciliation amount required at the end of 2017 will be deferred, plus working capital costs, for future disposition.