



Consolidated Edison Company  
of New York, Inc.  
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March 6, 2020

Honorable Michelle L. Phillips  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza, 19<sup>th</sup> Floor  
Albany, New York 12223-1350

**RE: Tariff Filing to Implement the Competitive Procurement Process for Dynamic Load Management Resources and Premium Auto-DLM Resources**

Dear Secretary Phillips:

Consolidated Edison Company of New York, Inc. (the “Company”) 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”),<sup>1</sup> applicable to delivery by the Company of power and associated energy to Authority Public Customers under the PASNY Tariff.

The revised Electric Tariff and PASNY Tariff Leaves, which are identified below, are filed to become effective on August 1, 2020.

Electric Tariff Leaves:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
253.4	3	2
253.4.2	1	0
268	6	5
357	7	6

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<sup>1</sup> 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.”

## PASNY Tariff Leaves:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
17.16	1	0
17.17	1	0
26.3	7	5

**Reason for Filing**

On January 29, 2020, the Company filed a Plan<sup>2</sup> to implement a competitive procurement process for Dynamic Load Management (“DLM”) participation agreements. In this Plan, the Company stated it would file two tariff amendments addressing (1) cost recovery of costs associated with Day-Ahead-DLM and Auto-DLM programs, and (2) the elimination of double compensation for Customers participating in Day-Ahead-DLM and Auto-DLM programs and the Value Stack Tariff. Also, as stated in the Plan, Customers participating in either Day-Ahead-DLM or Auto-DLM programs will be excluded from Rider T – Commercial Demand Response Programs to avoid double compensation and overlapping dispatch obligations.

**Tariff Changes**

Changes were made to effectuate cost recovery in the respective DLM Surcharge sections of the Electric Tariff and PASNY Tariff as follows:

1. Day-Ahead-DLM and Auto-DLM programs were added to the list of programs eligible to have program costs recovered through the DLM Surcharge.
2. In order to collect the costs of deferring upfront incentives as regulatory assets, including the Company’s overall pretax rate of return on such costs, language was added to describe what is considered as annual forecasted program costs for the Day-Ahead-DLM and Auto-DLM programs.
3. Consistent with the Commercial System Relief Program, all costs of Day-Ahead-DLM and Auto-DLM programs will be allocated based on the transmission demand (D03) allocator.

Changes were made to the Value Stack sections of the Electric Tariff and PASNY Tariff to state that Customers participating in either Day-Ahead-DLM or Auto-DLM programs will not be eligible for Demand Reduction Value or Locational System Relief Value compensation for the duration of their participation in the Day-Ahead-DLM and Auto-DLM programs. This change will avoid double compensation for value provided to the distribution system that would

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<sup>2</sup> Case 18-E-0130, *In the Matter of Energy Storage Deployment Program, Plan of Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. to Implement Competitive Procurement Process for Dynamic Load Management Resources and Premium Auto-DLM Resources* (filed January 29, 2020) (“Plan”). Orange and Rockland Utilities, Inc. is making a similar tariff filing today for recovery of its program costs as described in the Plan.

otherwise be provided to Customers participating in either Day-Ahead-DLM or Auto-DLM programs and the Value Stack Tariff.

Changes were made to Rider T – Commercial Demand Response Programs to restrict availability to Rider T from Customers who are otherwise contractually precluded from taking service under Rider T, either by their own contract or because they are represented by a third party that is contractually precluded. The Company also deleted a restriction from the Commercial System Relief Program under Rider T for 2017 and 2018, since those periods have passed.

### **Conclusion and Notice**

The Company is filing changes to the Electric and PASNY Tariffs to become effective on August 1, 2020. The Company will provide public notice of the tariff changes in this filing by means of newspaper publication once a week for four consecutive weeks prior to the effective date of the proposed tariff changes. Included is a proposed form of Notice of Proposed Rule Making for publication in the State Register pursuant to the State Administrative Procedures Act.

Sincerely,

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