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of New York, Inc.  
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November 12, 2019

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

**RE: Case 15-E-0751, In the Matter of the Value of Distributed Energy  
Resources  
Case 15-E-0082, Proceeding on Motion of the Commission as to  
the Policies, Requirements and Conditions For Implementing a  
Community Net Metering Program  
Case 19-E-0065, Proceeding on Motion of the Commission as to  
the Rates, Charges, Rules and Regulations of Consolidated  
Edison Company of New York, Inc. for Electric Service**

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, identified in Appendix A, are filed to become effective on April 1, 2020.

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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.”

### **Reason for Filing**

On June 18, 2019, the Company filed tariff amendments to enable customers taking service under the PASNY Tariff to receive value stack compensation as established within the Commission's proceeding *In the Matter of the Value of Distributed Energy Resources*.<sup>2</sup> Pursuant to the Commission's *Order Approving Tariff Amendments with Modifications* issued October 17, 2019 in Case 19-E-0464 (the "October Order"), the Company made its compliance filing to implement Value Stack Remote Net Metering and On-Site crediting for PASNY customers. However, the filing did not allow for participation under Community Distributed Generation ("CDG").

Pursuant to the Joint Proposal dated October 16, 2019 and filed on October 18, 2019, in Cases 19-E-0065 and 19-G-0066, the Company committed to submitting proposed tariff revisions under Case 15-E-0751 to allow NYPA and non-NYPA customers to participate in common CDG projects. The Company agreed to file such tariff changes within ten days of November 1, 2019, which was the effective date of the tariff provisions approved with modification in the October Order.

This filing modifies the General Provision entitled Value Stack Tariff for PASNY Customer-Generators in the PASNY Tariff and the Value Stack Tariff under the Electric Tariff to include and revise language so that PASNY Customers will be able to participate in CDG projects receiving Value Stack compensation as either host and/or satellite accounts. A CDG host under either tariff can serve satellite accounts under either tariff. However, a CDG Host under the Electric Tariff serving PASNY satellite accounts must receive value stack compensation under the Electric Tariff. The filing also allows PASNY customers to be eligible to receive the Value Stack Community Credit pursuant to the existing requirements under the Electric Tariff.

### **Tariff Changes**

The Company has modified the PASNY Tariff and Electric Tariff to enable NYPA and non-NYPA customers to participate in common CDG projects.

The following changes were made to the PASNY Tariff:

- The Value Stack Tariff for PASNY Customer-Generators section of the General Provisions was modified to add two new subsections: Community Distributed Generation and Community Credit Component.
  - The Community Distribution Generation section explains the applications for CDG Hosts, the requirements of CDG Hosts, and the allocation of Value Stack Credits. This section also clarifies that a PASNY CDG Host's Value Stack

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<sup>2</sup> Case 15-E-0751, *In the Matter of the Value of Distributed Energy Resources*.

credits produced by its generating equipment can be applied to the CDG Satellite Accounts taking service under the PASNY Tariff or the Electric Tariff.

- The Community Credit Component section allows PASNY CDG projects taking service under the Value Stack Tariff in the PASNY Tariff to follow the same rules as the Community Credit program under the Electric Tariff.
- For the Value Stack Environmental Component, CDG Satellite Accounts whose CDG Host Accounts elect to transfer their renewable energy credits (“REC”) to the Company will be handled the same way as PASNY Customers who elect to transfer their RECs to the Company.
- With planned upgrades to its billing system, the Company is proposing that any remaining monetary credits allocated to CDG Satellite Accounts served by a PASNY CDG Host be carried forward to the succeeding billing period as a banked credit. This would apply to both CDG Satellites taking service under the PASNY Tariff and Electric Tariff, and allows for treatment under the PASNY CDG Tariff consistent with the manner in which CDG Satellites are billed under the Electric Tariff.
- The October Order acknowledged that “due to billing system limitations the Company is unable to carry forward credits for NYPA,”<sup>3</sup> which prescribed remaining monetary credit to be transferred to the PASNY bill for that month. Newly planned billing system upgrades will allow the Company to maintain and track remaining monetary credits earned by On-Site PASNY Customers and Remote Net Metering PASNY Hosts in a manner consistent with billing and crediting mechanisms currently applicable to Customers taking service under the Electric Tariff. Accordingly, the Company proposes this consistent treatment of excess credits allocated to either PASNY Customers or Customers taking service under the Electric Tariff served by CDG Hosts taking service under either the Value Stack Tariff under the Electric Tariff or the Value Stack Tariff for PASNY Customer-Generators, as applicable.
- Definitions for “Community Distribution Generation or CDG,” “Net Energy Metering,” “Non-Residential Customer,” and “Residential Customer” were added to the Value Stack Tariff for PASNY Customer-Generators section.
- The terms “CDG,” “CDG Host Account,” and “Community Credit” were added throughout the PASNY Tariff as needed to enable PASNY participation for CDG and availability of the Community Credit in the Value Stack.

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<sup>3</sup> October Order, p. 5

The following changes were made to the Electric Tariff:

- In the Remote Net Metering and Community Distributed Generation - Community Distributed Generation section of Rider R under the Electric Tariff, the following changes were made:
  - A CDG Host taking service under the Electric Tariff will be permitted to apply Value Stack Credits produced by its generating equipment to CDG Satellite accounts taking service under the PASNY Tariff.
  - Along with Service Class (“SC”) 8 or SC 12, dwelling units of multi-unit residential buildings served indirectly under the PASNY Tariff will also be treated as though they were separate participants for determining whether the ten-CDG Satellite Account minimum and 40-percent output limit are reached.
  - A CDG Satellite Account shall have only one CDG Host Account, which can take service under the PASNY Tariff.
  - A CDG Host taking service under the Electric Tariff serving any CDG Satellite Accounts taking service under the PASNY Tariff must take service under the Value Stack Tariff.
- In the Charges and Credits – Value Stack Tariff - Value Stack Phase Two Community Credit Component section of Rider R under the Electric Tariff:
  - The Community Credit will be available for a maximum of 350 MW of CDG installed under the Electric Tariff and under the PASNY Tariff and on-site Mass Market Customer generation under the Electric Tariff.
  - The restriction in Rider R which excludes customers taking service under the PASNY Tariff has been modified to exempt PASNY CDG Satellites taking service from CDG Hosts.
  - A housekeeping change was made on Leaf 253.5 to properly indent the sentence “The Value Stack Credit on a CDG Host Account will be subject to the provisions described in paragraph F.2.c of this Rider.”
- The Community Credit Component Cost Recovery description in General Rule 26.8, Value of Distributed Energy Resources (“VDER”) Cost Recovery, was modified to specify that credits associated with PASNY CDG Satellites will be collected from PASNY on a dollar per month basis.

- Housekeeping changes were made in General Rule 25.4, Clean Energy Standard Supply Surcharge, and General Rule 26.8, Value of Distributed Energy Resources Cost Recovery, to change the term “paid to” to “associated with” when describing how credits are applied to customers. This change was made to avoid the potential for “paid to” to be misinterpreted as meaning a payment rather than a credit.

### **Conclusion and Notice**

The Company is filing these changes to the Electric Tariff and the PASNY Tariff to become effective on April 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

## Appendix A

### Electric Tariff Leaves:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
249.1.1	5	4
249.2	7	6
249.3	5	4
253.4.3	1	0
253.5	3	2
253.8	3	2
336.1	4	3
358.1	5	4
358.2	5	4

### PASNY Tariff Leaves:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
17.3	1	0
17.4	1	0
17.5	2	1
17.6	1	0
17.9	1	0
17.10.1	0	
17.10.2	0	
17.10.3	0	
17.11	2	1
17.12	1	0
17.15	1	0
17.18	1	0
17.18.1	0	
17.19	1	0
17.20	1	0
17.21	2	1
17.22	1	0
26.3	6	5