



Consolidated Edison Company  
of New York, Inc.  
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December 17, 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: Case 20-E-0444, Cost Recovery of the Energy Storage Deployment Program**

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 February 1, 2021.

Electric Tariff Leaf:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
343.2	2	1

PASNY Tariff Leaf:

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
26.3	10	9

**Reason for Filing**

The Commission’s *Order Establishing Energy Storage Goal and Deployment Policy*, issued and effective December 13, 2018 in Case 18-E-0130 (the “Order”), required the Company

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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.”

to file tariff amendments to effectuate cost recovery of the amortized contract costs for the procurement of at least 300 MW of scheduling and dispatch rights from qualified energy storage systems to be operational by December 31, 2022. Pursuant to the Order, the Company filed tariff changes on April 11, 2019 to establish the recovery of all costs related to storage procurement in the Monthly Adjustment Clause (“MAC”) of the Electric Tariff and Other Charges and Adjustments (“OTH”) in the PASNY Tariff. These tariff changes became effective on April 12, 2019.

On September 4, 2020, the Company proposed to specify in the tariff that any annual wholesale revenues exceeding the contract costs will be shared with Customers and shareholders based on 70 and 30 percent, respectively, as authorized by the Order.

Following discussions with Department of Public Service Staff, the Company proposes further tariff changes. In addition, the Company stated in the Company’s April 11, 2019 filing in Case 18-E-0130, *In the Matter of Energy Storage Deployment Program*, that the Company proposed to include all market revenues in a deferral until included in base rates in a subsequent rate case. After further consideration, the Company retracts this proposal.

### **Proposed Tariff Changes**

The Company proposes to revise the MAC and OTH to define Net Annual Wholesale Market Revenues to mean the annual wholesale market revenues (avoided wholesale electric market costs or direct revenue from the NYISO) from the energy storage asset, that are greater than the Energy Storage Marketing Participation Costs on an annual basis. Energy Storage Marketing Participation Costs include but are not limited to the following costs if paid by the Company: i) energy charging costs; ii) NYISO participation fees; and iii) any incremental costs related to bidding energy storage resources into the NYISO markets.

### **Conclusion and Notice**

The Company is filing changes to the Electric and PASNY Tariffs to become effective on February 1, 2021, the same day as the September 4, 2020 filing.<sup>2</sup> The Company requests for waiver of newspaper publication of this filing since the Company had already provided public notice by newspaper publication of the September 4, 2020 filing and these changes are of a clarifying nature.

Sincerely,

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

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<sup>2</sup> The September 4, 2020 filing has been postponed from January 1, 2021 to February 1, 2021, pursuant to the Commission’s Order made December 15, 2020, in Order SPO 20-E-0444SP.