



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

January 10, 2022

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

RE: Case 15-E-0751, In the Matter of the Value of Distributed Energy Resources, Tariff Proposal to Add Phase One NEM to the Delivery Service Rate Schedule Implementing and Part of the Service Agreement Between the Power Authority of the State of New York and Consolidated Edison Company of New York, Inc.

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 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 New York Public Authority (“NYPA”) Customers under the PASNY Tariff.

The revised Tariff Leaves, which are identified in Appendix A, are filed to become effective on June 1, 2022:

Reason for Filing

The Commission has approved the transition of Distributed Energy Resource (“DER”) compensation from monthly Net Energy Metering (“NEM”) to an hourly pricing model by means of Value of DER / Value Stack rates,² including implementation of Phase One NEM.

NYPA customers currently taking service under the PASNY Tariff can avail themselves of Value Stack compensation, but not Phase One NEM. To implement the most recent step in 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.”

² Case 15-E-0751, Commission’s Order Regarding Value Stack Compensation (Issued April 18, 2019), et al.

NEM transition (i.e., Customer Benefit Contribution³), it is appropriate to align compensation options and DER price signals for NYPA customers with those of Con Edison's commercial customers. These proposed tariff changes align what is currently available under the PASNY tariff to conform with the PSC No. 10 ("Electric Tariff") and include no cost shifts from NYPA customers to non-NYPA customers.

Proposed Tariff Changes

The Company is proposing to amend the PASNY Tariff to enable certain On-site and Non-Demand Billed PASNY Customers with electric generating equipment as described below to be eligible for Phase One NEM compensation consistent with the Electric Tariff. The Company proposes the following amendments in the PASNY Tariff.

- The "Value Stack Tariff for PASNY Customer-Generators" section was renamed "Net Metering and Value Stack Tariff for PASNY Customer-Generators" to reflect that net metering rules have been added to the PASNY Tariff. This reference has been changed throughout the PASNY Tariff to be consistent with the revised name.
- Under Applicability in the Net Metering and Value Stack Tariff for PASNY Customer-Generators section, four additional eligibility criteria options were added for Phase One NEM consistent with the Electric Tariff.
 - (1) To any PASNY Customer with farm waste electric generating equipment (as defined in Public Service Law Section 66-j) with a rated capacity of not more than 2,000 kW, provided such equipment is located and used (a) at the Customer's Farm Operation or (b) at the Customer's non-residential premises that is not its Farm Operation ("Non-farm Location");
 - (2) To any PASNY Customer with solar electric generating equipment or wind electric generating equipment with a rated capacity of not more than 2,000 kW located and used at its premises;
 - (3) To any PASNY Customer with fuel cell electric generating equipment (as defined in Public Service Law Section 66-j) located and used at the PASNY Customer's premises, provided that such equipment has a rated capacity of not more than 2,000 kW;

³ Case 15-E-0751, Commission's Order Adopting Net Metering Successor Tariff Filings with Modifications (Issued August 13, 2021)

- (4) To any PASNY Customer with micro-hydroelectric (“micro-hydro”) generating equipment located and used at the PASNY Customer’s premises, provided that such equipment has a rated capacity of not more than 2,000 kW

A new Phase One Net Metering section under Applicability describes in detail which PASNY Customers are eligible for Phase One NEM. Language was added to the Value Stack Tariff section under Applicability clarifying that “the Value Stack Tariff is applicable to PASNY Customers not eligible for Phase One NEM; provided, however, that PASNY Customers served under Phase One NEM will be provided a one-time, irrevocable opt-in to the Value Stack Tariff,” consistent with the Electric Tariff.

- The “Definitions, applicable to the Value Stack Tariff only” section has been renamed “Definitions, applicable to the Net Metering and Value Stack Tariff for PASNY Customer-Generators only.”

A new definition for “Non-Demand Billed PASNY Customer” has been added and refers to a PASNY Customer taking non-demand billed service under Rate I whose electric generating equipment supplies energy to a single account behind the same meter as the generating equipment.

- The Application for Service section was updated to include language stating “PASNY Customers’ applications for interconnection to the Company’s system will be made using the applications set forth in the Standardized Interconnection Requirements (“SIR”). Assuming the conditions of the SIR are met, the Company and the PASNY Customer will execute the New York State Standardized Contract set forth in the SIR.”
- Sub-section (7) of Requirements for Parallel Operation section adds “If a PASNY Customer has farm waste electric generating equipment as well as solar, wind, and/or micro-hydroelectric generating equipment at its Non-farm Location, the PASNY Customer will qualify for service under Phase One NEM only if the load served by the farm waste electric generating equipment is not served under the same net-metered account as the load served by the solar, wind and/or micro-hydroelectric generating equipment.”
- A new sub-section (1) was added to the Metering section, which states “The Company will employ net energy metering to measure and charge for the net energy supplied by the Company.” This new sub-section provides additional rules related to metering equipment.
- A new “Charges and Credits – Phase One NEM” section has been added with three new sub-sections as shown below, which detail the rules related to Phase One NEM charges, credits, and account closure.
 - Charges to a PASNY Customer Served Under Phase One NEM
 - Credits to a PASNY Customer Who Supplies Net Energy to the Company

- Account Closure
- A new “Charges and Credits – Customer Benefit Contribution (“CBC”) Charge” section has been added with language to be consistent with the Electric Tariff.
 - Phase One NEM PASNY Customers described in paragraph 2 of the Phase One NEM - Applicability section of this provision with electric generating equipment that interconnects on or after January 1, 2022, who either remain on Phase One NEM or receive compensation under the Value Stack Tariff will be subject to a CBC Charge for the PASNY Customer’s term of service specified in the Term of Service section of this provision. The amount a PASNY Customer is billed for the CBC will be determined each billing period by multiplying the CBC Charge by the nameplate capacity rating in kW DC of the PASNY Customer’s electric generating equipment.
 - For PASNY Customers with more than one electric generating technology for which the CBC is applicable, the CBC Charge will be assessed separately based on the nameplate capacity rating of each technology; however, where one of the multiple electric generating technologies is an electric energy storage system, the CBC shall be assessed solely on the nameplate rating(s) of the other electric generating technology or technologies.
 - The CBC Charge cannot be offset by any credit described in the Charges and Credits – Phase One NEM section, and Charges and Credits – Value Stack Tariff section, of this provision.
 - The CBC rates will be set forth on the Statement of Customer Benefit Contribution (“Statement”) from the Schedule for Electricity. The first Statement to include the CBC rates applicable to PASNY will be filed with the Commission at least 15 days before the effective date of June 1, 2022. Subsequent Statements will be filed with the Commission at least 15 days before January 1 of each year in accordance with the Schedule for Electricity.
- The Term of Service section has been modified to include the language, “The term of service under this Rider is 20 years from the in-service date for PASNY Customers with Phase One NEM, unless a one-time, irrevocable election was made to opt-in to the Value Stack Tariff or the Commission issues a new compensation methodology.”
- Language was added to the Additional Delivery Charges and Adjustments - (D) Revenue Decoupling Mechanism (“RDM”) Adjustment section to be consistent with the Electric Tariff.

- Subsection 1, Mechanism, has been modified to include the language, “For purposes of this section, Pure Base Revenue shall also include the revenue from the base rate energy efficiency and Low Income program components of the CBC Charge described in the Net Metering and Value Stack Tariff for PASNY Customer-Generators section of this Rate Schedule.”
- Subsection 5, Costs Related to the Emergency Summer Cooling Credit, has been modified to include the language, “The amount to be collected shall be offset by the revenue from the Emergency Summer Cooling Credit component of the CBC Charge described in the Net Metering and Value Stack Tariff for PASNY Customer-Generators section of this Rate Schedule.”

Conclusion and Notice

The Company is filing changes to the PASNY Tariff to become effective on June 1, 2022. The Company will provide public notice of the tariff changes in this filing by 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.

Respectfully submitted,

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

APPENDIX A

PASNY Tariff Leaves

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
17.3	4	3
17.3.1	0	
17.3.2	0	
17.4	3	2
17.5	4	3
17.6	4	3
17.6.1	1	0
17.7	2	1
17.8	1	0
17.9	3	2
17.9.1	1	0
17.9.2	1	0
17.9.3	1	0
17.10	2	1
17.10.1	5	4
17.10.2	2	1
17.10.3	4	3
17.10.4	4	3
17.10.5	3	2
17.10.6	3	2
17.10.7	2	1
17.10.8	2	1
17.10.9	1	0
17.11	4	3
17.11.1	0	
17.11.2	0	
17.12	3	2
17.13	1	0
17.14	2	1
17.14.1	1	0
17.15	2	1
17.16	3	2
17.17	3	2
17.18	5	4
17.18.1	5	4
17.19	2	1
17.20	2	1

APPENDIX A

PASNY Tariff Leaves - Continued

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
17.21	4	3
17.21.1	0	
17.22	3	2
21	5	4
23	9	8