



Susan J. LoFrumento
Associate Counsel

December 5, 2024

VIA E-TARIFF FILING

Hon. Debbie-Anne A. Reese, Secretary
Federal Energy Regulatory Commission
Dockets Room, Room 1A
888 First Street, N.E.
Washington, DC 20426

**Re: Consolidated Edison Co. of New York, Inc., Docket Nos. ER23-2212-____
Settlement Order Compliance Filing**

Dear Secretary Reese:

In accordance with the Federal Energy Regulatory Commission's ("Commission" or "FERC")¹ Letter Order issued November 8, 2024 in the above-referenced proceeding approving Consolidated Edison Company of New York, Inc.'s ("Con Edison") Joint Offer of Partial Settlement on Rate Schedule 10 submitted August 19, 2024 and the Joint Offer of Settlement on Rate Schedule 19 submitted August 20, 2024 ("Settlement"),² Con Edison respectfully submits this compliance filing to reflect certain revisions to its formula rate template related to the Return on Equity ("ROE") for Rate Schedule 10 and Rate Schedule 19 projects, as well as remove references to ROE incentive adders, as specified in Article 3.2(b) of the respective settlement agreements approved by the Commission.

This compliance filing modifies Con Edison's formula rate template contained in Section 6.19.8.2.2 of Attachment 3 to Rate Schedule 19 ("Formula Rate Template") to reflect the respective ROE values set forth in the Settlement for Rate Schedule 10 and Rate Schedule 19 projects. This compliance filing also modifies the Formula Rate Template to remove reference to prohibited incentive adders from Line 12 and Note C of Workpaper 10b10 and adds a Note Q on Appendix A to state that Rate Schedule 19 projects are not eligible for ROE incentive adders. These revisions ensure consistency with the Settlement concerning ROE incentive adders for Rate Schedule 10 projects and Rate Schedule 19 projects.

¹ The New York Independent System Operator, Inc. ("NYISO") submits this filing on behalf of Con Edison solely in its role as administrator of the NYISO Open Access Transmission Tariff ("OATT") and takes no position on any substantive aspect of this filing at this time. The burden of demonstrating that the proposed tariff amendments comply with the requirements of the Commission's November 8, 2024 letter order in this proceeding rests on Con Edison.

² See *Consol. Edison Co. of N.Y., Inc. et al*, 189 FERC ¶ 61,107 (2024) ("Settlement Order").

Background and Description of Filing

On June 22, 2023, as amended on September 1, 2023, the NYISO submitted, on behalf of Con Edison, proposed revisions to the NYISO OATT in Docket No. ER23-2212. These revisions included Consolidated Edison's Formula Rate Template, associated formula rate protocols, and conforming tariff amendments to enable the derivation and recovery of costs for eligible transmission projects under Rate Schedule 19³ and Rate Schedule 10 of the NYISO OATT.⁴ Con Edison also requested a separate ROE ceiling value for Rate Schedule 19 and base ROE value for Rate Schedule 10 and sought a 50-basis point ROE adder for participation in a Regional Transmission Organization ("RTO Adder") for Rate Schedule 10.

On October 31, 2023, the Commission issued an order conditionally accepting Con Edison's filing.⁵ The Commission approved the formula rate protocols and tariff amendments effective August 22, 2023, but subjected the Formula Rate Template to further compliance and suspended its effectiveness for a nominal period, subject to refund and pending hearing and settlement judge procedures.⁶ Con Edison thereafter filed two settlements to address all outstanding issues:⁷

1. A Joint Offer of Partial Settlement ("Rate Schedule 10 Settlement") resolving issues related to the proposed ROE for Rate Schedule 10.
2. A Joint Offer of Settlement ("Rate Schedule 19 Settlement") addressing ceiling base ROE proposals under Rate Schedule 19.

On September 26, 2024, the Settlement Judge certified the Rate Schedule 10 Settlement and the Rate Schedule 19 Settlement to the Commission as uncontested settlements.⁸ On November 8, 2024, the Commission issued the Settlement Order approving both settlements.⁹ The Settlement Order directed

³ Consolidated Edison submitted its proposed formula rate template for Rate Schedule 19 as a new Attachment 3 to Rate Schedule 19. *See* NYISO, NYISO Tariffs, NYISO OATT, 6.19.8-6.19.8.2.1 (Schedule 19 - Attach. 3 - Rate Mechanism for the Recovery of CLCPA Eligible Projects for Consolidated Edison Co. of NY, Inc.) (1.0.0); *id.* § 6.19.8.2.2 (Schedule 19 - Attach. 3 - Formula Rate Template) (2.0.0).

⁴ Consolidated Edison submitted its proposed formula rate template for Rate Schedule 10 as a new Attachment 4 to Rate Schedule 10. *See* NYISO, NYISO Tariffs, NYISO OATT, 6.10.10 (Schedule 10 - Attach. 4 - Rate Mechanism for the Recovery by Consolidated Edison Co. of NY, Inc.) (0.0.0).

⁵ *See Consol. Edison Co. of N.Y., Inc.*, 185 FERC ¶ 61,091(2023).

⁶ *Id.*

⁷ Consolidated Edison, Joint Offer of Partial Settlement on Rate Schedule 10-Only Issues, Docket No. ER23-2212-003 (filed Aug. 19, 2024); and Consolidated Edison Joint Offer of Settlement, Docket No. ER23-2212-004 (filed Aug. 20, 2024).

⁸ *Consol. Edison Co. of N.Y., Inc.*, 188 FERC ¶ 63,027 (2024).

⁹ *See* Settlement Order at P 16.

Con Edison to make compliance filings for its formula rate template, including the following requirements:¹⁰

- Rate Schedule 10: Con Edison must incorporate the base ROE values for Rate Schedule 10 projects set forth in Appendix A of the Rate Schedule 10 Settlement as reflected by revisions to: (1) Line 4 and the addition of Note 1 on “Workpaper 6b10: Cost of Capital (Schedule 10 Projects);” and (2) Note C on “Workpaper 10b10: Schedule 10 Project ATRRs.”
- Rate Schedule 10: Con Edison must remove specific references to prohibited ROE incentive adders, including Line 12 and Note C on “Workpaper 10b10: Schedule 10 Project ATRRs.”
- Rate Schedule 19: Con Edison must incorporate the ceiling ROE value for Rate Schedule 19 projects set forth in Appendix A-1 of the Rate Schedule 19 Settlement as reflected by revisions to Lines 2, 6, 10, and 14 on “Workpaper 6a19: Cost of Capital (Schedule 19 Projects)” and other changes necessary to clarify that ROE incentive adders are not applicable for Rate Schedule 19 projects.

List of Documents

In addition to this transmittal letter, this filing includes the following:

1. Attachment A: list of compliance revisions to Consolidated Edison’s formula rate template;
2. Attachment B: clean version of the proposed compliance revisions to Section 6.19.8.2.2 of Attachment 3 to Rate Schedule 19 of the OATT;¹¹ and
3. Attachment C: redline version of the proposed compliance revisions to Section 6.19.8.2.2 of Attachment 3 to Rate Schedule 19 of the OATT.

Service

Con Edison will send an electronic copy of this filing to the official representative of each party to this proceeding and to the proceedings associated with the August 19, 2022 order issued by the Commission in Docket No. ER22-2152-000, *et al.*,¹² which includes the New York State Public Service Commission. In addition, a complete copy of this filing will be posted on the NYISO’s website at www.nyiso.com. The NYISO has confirmed to Con Edison that it will send an electronic link to this

¹⁰ *See id.* at PP 17-18.

¹¹ A clean version of the Formula Rate Template in native Excel format that reflects the proposed compliance revisions is also being submitted with this filing.

¹² *Consolidated Edison Co. of N.Y., Inc. et al.*, 180 FERC ¶ 61,106 (2022).

filing to the official representative of each of its customers and each participant on its stakeholder committees.

Conclusion

Con Edison was directed by the Commission to submit a compliance filing for these revisions in eTariff format within 30 days of the November 8, 2024 letter order. This compliance filing, therefore, ensures alignment with FERC's directives and the approved settlements for both Rate Schedule 10 and Rate Schedule 19.

Respectfully submitted,

/s/ Susan J. LoFrumento

Sebrina M. Greene

Susan J. LoFrumento

Joshua A. Kirstein

Consolidated Edison Co. of New York, Inc.

4 Irving Place

New York, NY 10003

Lyle D. Larson

Balch & Bingham LLP

1901 Sixth Ave., North

Birmingham, AL 35201

*Counsel for Consolidated Edison Company
of New York, Inc.*

Enclosures

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on those parties on the official Service List compiled by the Secretary in the referenced proceeding.

Dated at Birmingham, Alabama, this 5th day of December 2024

/s/ Lyle D. Larson
Lyle D. Larson