

SC 1 Rate IV

An Optional Demand-Based Rate for Residential Customers



Overview



Optional, Demand-Based Rate

Demand-based delivery charges with peak & offpeak hours of noon to 8 p.m.

Peak hours apply to both delivery and supply charges^{*}



Established in Case 19-E-0065 (Feb 2020)

Originally available to all residential heat-pump customers, but capped at 5,000 non-heat-pump customers

Case 22-E-0064 eliminated the cap



Potentially beneficial to customers with Heat Pumps

Higher customer charge with a lower price per kW

When left at a single temperature setting, heat pumps use energy consistently, which results in better load factors



One-Year Price Guarantee Makes it Risk Free to Try the SPP

500 residential GSHP customers and 500 residential ASHP customers who heat and cool their homes with heat pumps receive a one-year price guarantee, administered at the conclusion of their 12th month on the Plan

 * For full-service customers only. Peak hours do not apply to supply charges for Retail Choice customers.



Customer Engagement



Winter 2022 Email Campaign Sent to 3,000 new heat-pump customers who were determined to be good candidates for the Select Pricing Plan

Fall 2023 Webinar The Select Pricing Plan was presented in October 2023 as part of a webinar hosted by NY GEO



Customer Engagement cont'd



Help Your Customers Manage Their Energy Costs

If you have customers who use heat pumps, they may benefit from enrolling in our Select Pricing Plan, a billing option that offers customers greater control over their energy costs.

About the Plan

Heat pumps are up to three times more efficient than other heating and coolingsystems, and when left at a single temperature setting, they use electricityconsistently throughout the day. So, if customers have a heat pump installed attheir home, the Select Pricing Plan may be a good fit.

The first 500 geothermal heat-pump customers and the first 500 air-source heat-pump customers to sign up for the Select Pricing Plan will also receive a



A Better Way to Manage Energy Use & Costs

If you use a heat pump, you may benefit by enrolling in our **Select Pricing Plan**, a billing option that gives you more control over your energy costs. Plus, the first 500 au-source heat pump and first 500 geothermal customers who sign up will receive a **one-year price** guarantee.

How it works: With the Select Pricing Plan, you'll be paying for electricity based on when you use it, and how many devices are using it at different points in the day.

Heat pumps, when left at a single temperature setting, use electricity consistently throughout the day, making them ideal for the Select Prixing Plan. By staggering your appliance and electricity use, instead of using them all at once, you'll help keep costs down when the demand is high.

After a year on the plan, we'll compare your bills versus what you would have paid with your prior rate. If your bills were higher on the plan, we'll credit your account the difference—you'll never pay more than your old rate.

Also, if you aren't satisfied with the new rate, you can always return to your old rate.

Switch now and see the difference

App Store

Google Play

Also, if you aren't satisfied wit you can always return to your



September 2023

1. Heat Pump Contractor Email

• Sent to contractors operating in the Con Edison service territory

2. Heat Pump Customer Email

 Sent to over 5,000 customers with air-source or geothermal heat pumps

3. Heat Pump Customer Postcard

 Sent to over 5,000 customers with air-source or geothermal heat pumps



Customer Enrollment



Currently Enrolled Customers (By Heat Pump Ownership)



* Through 12/31/23 reporting period.







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** Borough breakout includes all customers, HP and non-HP, enrolled in SC1 Rate IV.



Bill Impacts

Average Monthly Bill (By Heat Pump Ownership)



Average Monthly Savings (By Heat Pump Ownership)



* Through 12/31/23 reporting period.



Q&A For More...





SC 1 Rate IV

Customer Bill Impact Assessment



SC1 Rate IV Bill Impact Assessment: Overall Findings









R4 is most beneficial* to air source heat pump and ground source heat pump customers. Least beneficial for solar net metering customers. The amount of savings switching to R4 from other rates is dependent on the season (summer vs. non-summer). The differences in supply charges among the rate options do not have a significant impact on whether a customer group will do well on the rate. The higher a customer's load factor, the more likely a customer will benefit from a switch to R4.

*highest savings for greatest number of customers

Credits for icon use: Heat pump by Lomaxy for Noun Project. Season by Yuswita Amieliana Dewi for Noun Project. Electric meter by Juicy Fish for Noun Project. Line graph by Zach Bogart for Noun Project.



SC1 Rate IV Bill Impact Assessment Results: Load Factor Definition



$$LF = \frac{Average\ Load}{Peak\ Load}$$



SC1 Rate IV Bill Impact Assessment Results: 12-Month Avg Monthly Bill (\$)

Control, ASHP, and GSHP average bills are lowest at R4, compared to R1 or R3.





SC1 Rate IV Bill Impact Assessment: Link to Report

<u>https://lite.coned.com/_external/cerates/documents/reports/rate-IV-assessment.pdf</u>



Appendix

Customer Bill Impact Assessment



SC1 Rate IV Bill Impact Assessment: Rate Options

SC1 Rate I ("R1")	SC1 Rate III ("R3")**	SC1 Rate IV ("R4")***	
Customer Charge: \$13	3 Customer Charge: \$18	Customer Charge: \$28	
Delivery Charges (¢/kWh): 14.11 Summer* >250kWh : 16.22		Delivery Charges (\$/kW): Off Peak: 6.41 Peak NonSummer: 16.73 Peak Summer: 21.75	
Supply Charges (¢/kWh): Not TOU	Supply Charges (¢/kWh): TOU + Super Peak in Summer	Supply Charges (¢/kWh): TOU	

* Summer for all rates refers to June through September

** R3 peak hours are from 8am to midnight all days and super peak hours are from 2pm to 6pm weekdays

*** R4 peak hours are from noon to 8pm on weekdays except holidays



SC1 Rate IV Bill Impact Assessment : Sample

	Control	EV	ASHP	GSHP	PV
Source	22-E-0064 Demand Analysis	Self Reported	Clean Heat Program	Clean Heat Program	Random Sample
Sample Size	1,157	425	1,220	18	1,159
Average Load Factor	0.22	0.15	0.23	0.23	0.03
Average Monthly Usage (kWh)	973	1,108	867	1,942	202
Average Monthly Summer Usage (kWh)	1,177	1,251	714	1,692	253
Average Monthly Non Summer Usage (kWh)	871	1,037	944	2,067	177



SC1 Rate IV Bill Impact Assessment Results: Bill Impact and Load Factor

- For all groups, except PV:
 - Relatively higher correlation between customer load factor and savings on R4, than the correlation between customer usage and savings on R4
 - The higher the load factor, the more likely a customer will save switching to R4 from either R1 or R3



SC1 Rate IV Bill Impact Assessment Results: Bill Impact and Load Factor

Customers with the highest load factors are more likely to save with a switch to R4.

Average 12-Month Load Factors Each Customer Group, the Savers, and NonSavers per Rate Class Switch





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