



Con Edison Seeks First Electric Rate Increase in 10 Years

April 30, 2004

New Electrical Facilities and Investments Needed for New York's Economic Growth

NEW YORK, April 30 /PRNewswire-FirstCall/ -- Consolidated Edison Company of New York, Inc. (Con Edison) (NYSE: ED) today filed a rate request with the state Public Service Commission (PSC) seeking support of continued major investments in its electric energy infrastructure. The investments are needed to maintain Con Edison's high level of service reliability and to meet the growing energy needs of the company's 3.1 million customers in New York City and Westchester County.

Today's filing calls for an additional \$550 million in electric revenues for the company, representing a 6.7 percent average increase in customer bills. Under the proposal, a typical residential customer paying \$58.66 per month would see an increase of \$5.40 (or 9.2 percent). A typical small business paying \$116.55 per month would see an increase of \$5.04 (or 4.3 percent).

Con Edison's present electric rate agreement expires next year and the proposed new electric rates would take effect on April 1, 2005.

"Electricity use has increased well beyond what we had anticipated as recently as a few years ago," said Kevin Burke, president of Con Edison. "This is good news because it reflects continued growth in the local economy and the improved quality of life our customers are enjoying."

Electricity usage by customers in the Con Edison service area has grown by about 20 percent over the past 10 years.

Significant economic development projects underway or being planned in the five boroughs of New York City and Westchester County include the redevelopment of downtown Brooklyn, rebuilding lower Manhattan, new commercial development in White Plains, and the creation of 65,000 new and renovated housing units.

"Electricity powers an ever-improving home life for Con Edison's customers: more computers, printers, lights and air-conditioning; bigger and better televisions, stereos, refrigerators and dishwashers," Burke said.

"All of these appliances are available at the touch of button because the Con Edison network has the highest reliability in the nation," Burke said, "but maintaining and expanding an electric delivery network in the largest metropolitan area in the U.S. is not a simple task."

Over the past 10 years, Con Edison has invested \$4.5 billion in upgrading and expanding its electric transmission and distribution network. The investments include the construction of four new substations, the installation of nearly 4,900 additional transformers and laying an additional 3,100 miles of electric cable.

During that same period, the company has reduced electric rates seven times, despite the fact that its own costs have been increasing steadily. For example, the price of a new utility truck has risen 50 percent, and the cost of a utility pole is up 20 percent over the past decade.

"We will be making some of the largest investments in our energy infrastructure that have been seen in decades," said Joan S. Freilich, executive vice president and chief financial officer of Con Edison. "We understand that no one likes to hear about increasing costs and how they impact monthly expenses, but the increases we are requesting will make possible the system upgrades necessary to provide the reliable and safe delivery of electricity required by the nearly nine million people we serve."

The company's filing includes a proposal for extending the rate plan for two additional years with a limited number of cost adjustments. The filing begins a nearly year-long public review process with the PSC and multiple parties, including consumer groups, environmental organizations and elected officials.

The company remains committed to educating the public about the environmental and economic benefits of conservation. Today's filing expands the energy-efficiency incentive programs available to both residents and business owners. These include programs designed to lower energy costs through the use of more energy-efficient lighting and remote-control thermostats for central air-conditioning systems. The company is also continuing demand response programs in which businesses reduce electric usage during peak summer days.

To get more information on Con Edison's infrastructure investments and to learn energy saving tips, payment options and receive other assistance, customers may contact the company at 1-800-75-CONED or check the website at www.coned.com/customercentral.

Con Edison is a subsidiary of Consolidated Edison, Inc. [NYSE: ED], one of the nation's largest investor-owned energy companies, with \$10 billion in annual revenues and \$21 billion in assets. The utility provides electric, gas and steam service to more than 3 million customers in New York City and Westchester County, New York. For additional financial, operations and customer service information, visit Con Edison's Web site at www.coned.com.

SOURCE Con Edison -0- 04/30/2004 /CONTACT: Michael Clendenin of Con Edison, +1-212-460-4111 /Web site: <http://www.coned.com>
<http://www.coned.com/customercentral> / (ED) CO: Con Edison ST: New York