



Con Edison Proposes New Energy Efficiency Programs for a Cleaner, Greener New York

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NEW YORK, NY, Apr 15, 2008 (MARKET WIRE via COMTEX News Network) -- Consolidated Edison Company of New York, Inc. (Con Edison) has filed a plan with the New York State Public Service Commission (NYSPSC) asking that a package of new energy efficiency programs be approved for implementation this summer.

"Con Edison's proposals represent a major part of the company's overall effort to achieve at least 500 megawatts (MW) of demand reduction by 2015," said Rebecca Craft, Con Edison's Director of Energy Efficiency Programs. "Reaching that goal would offset the need to power the equivalent of 500,000 homes. It coincides with the state's desire to realize a 15 percent reduction in electric consumption growth, significantly reducing carbon emissions over the same period."

The 11 residential and commercial programs proposed in the filing are designed to achieve 378 MW of demand reduction and reduce energy use overall by 4.4 billion kilowatt hours (KWh). The resultant 2.3 million tons of CO2 reduction is the equivalent of taking 380,000 vehicles off the road, or growing 53,000 tree seedlings for 10 years.

Total estimated cost of the programs is \$306 million through 2015, varying from approximately \$10 million this year to \$75 million in 2015. The funding would be drawn from funds already designated for energy efficiency programs in the most recent rate plan approved by commission effective April 1.

Con Edison estimates an annual anticipated savings of 86 MW of demand, 1.1 billion kilowatt hours (kWh), and 27.7 million therms through four residential energy efficiency programs:

- An Appliance Dealer Incentive program
- A Residential Lighting program
- A Residential Space Heating and Cooling program
- A Home Energy Efficiency Kit

The company also estimates an annual anticipated savings of 292 MW and 3.3 billion kWh through implementation of seven commercial energy efficiency programs:

- An Office Building program, focusing on larger office buildings
- A Buyback program
- An Education and Healthcare program, focusing on schools and hospitals
- A Hospitality and Entertainment program
- A Data Centers program
- A Freezer-Case LED Lighting program
- A Multi Family Building program

These programs (see details on fact sheet attached) were developed to build on the company's unique customer relationships, have a sector-by-sector approach specifically geared to its service area, and are designed to reduce both peak demand and energy consumption. If approved, Con Edison will incorporate the peak demand reductions into system planning so that that it can defer building certain new infrastructure.

A portion of the proposed programs, over 130MWs, is for the continuation of the company's Targeted DSM program designed to defer capital projects for infrastructure upgrades and expansion. Permanent energy efficiency projects installed in specific neighborhoods can defer the installation of cable, transformers, and other equipment.

In the past several years, Con Edison has contracted for over 190 MW of demand reduction through its targeted programs that began in 2004. Measures to achieve these reductions will be implemented through 2012.

Con Edison has the largest underground electrical system in North America with 94,000 miles of underground cables, enough to wrap the earth 3.6 times. The company also maintains 36,000 miles of overhead cables.

Con Edison expects to spend approximately \$5 billion over the next three years on its electric delivery system to maintain reliability and support the significant economic growth projected for its New York City and Westchester County service area. EnergyNY, the company's recently announced plan to meet the future energy needs of its customers through infrastructure upgrades and energy efficiency programs, can be viewed at <http://www.conEd.com/energyny>.

Con Edison is a subsidiary of Consolidated Edison, Inc. (NYSE: ED), one of the nation's largest investor-owned energy companies, with approximately \$13 billion in annual revenues and \$28 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.

Energy Efficiency Program Fact Sheet

Con Edison has proposed 378 MW of demand reduction, part of the company's overall plan to achieve at least 500 MW of demand reduction by the year 2015. The programs consist of 11 residential and commercial programs designed to reduce energy use by 4.4 billion kWh and demand by 378 MW by 2015. The estimated total cost is \$306 million.

Funding to support these energy efficiency programs was designated by the most recent rate plan approved by the New York State Public Service Commission effective April 1.

Additionally, 137 MW of demand reduction will be achieved through continuance of the Con Edison Targeted Demand Side Management (DSM) program from 2008 to 2015.

The selected Energy Efficiency Programs planned for an eight-year period for residential and commercial customers, along with estimated therm, energy and demand savings are as follows:

Residential Programs

An annual savings of 86 MW of demand, 1.1 billion (kWh), and 27.7 million therms will be achieved through four residential energy efficiency programs.

1. Appliance Dealer Incentive Program -- This program encourages customers to purchase the highest rated ENERGY STAR(R) household gas and electric appliances (room air conditioners, washers, dryers, refrigerators, freezers and water heaters) by providing incentives to sales staff and store managers for promoting the ENERGY STAR(R) label and high efficiency home appliances. Estimated demand and energy savings are 13.5 MW and 152.9 million kWh respectively, over the life of the program.
2. Residential Lighting Program -- This program installs ENERGY STAR(R) approved and rated compact fluorescent lamps (including socket modifiers that accommodate fluorescent lamps only) in both single family and multi-family applications. Estimated demand and energy savings are 44.1 MW and 804.8 million kWh respectively, over the life of the program.
3. Residential Space Heating and Cooling Program -- This program is a customer education and incentive program that encourages customers to install ENERGY STAR(R) rated-heating and air conditioning systems, high efficiency gas furnaces, high efficiency air source heat pumps, setback thermostats and solar attic ventilation fans. Incentives will be provided for distributors and contractors to stock and promote eligible heating and cooling equipment. Incentives will also be provided to retail sales personnel for selling targeted appliances. Estimated demand and energy savings are 18.5 MW and 47.4 million kWh respectively, over the life of the program. In addition, an estimated 6.3 million therms of natural gas are expected to be saved.
4. Home Energy Efficiency Kit -- This program is a home energy kit mailed to customers to implement immediate energy efficiency measures. The kit provides measures to reduce weather infiltration inside the dwelling, compact fluorescent lighting and water saving devices. Estimated demand and energy savings are 10.2 MW and 51.5 million kWh respectively, over the life of the program. In addition, an estimated 21.5 million therms of natural gas are expected to be saved.

Commercial Programs

An annual savings of 292 MW of demand and 3.3 billion kWh will be achieved through seven commercial energy efficiency programs.

1. Office Building Program -- This program focuses on larger office buildings and provides prescriptive rebates for converting T-12 and T-8 lamps to T-5 lamps and for retrofitting to more efficient lamps and ballasts. The program also offers incentives for HVAC system retrofits and for continuous commissioning and retro-commissioning. Estimated demand and energy savings are 155.3 MW and 1.5 billion kWh respectively, over the life of the program.
2. Buyback Program -- This program provides an incentive for avoided or reduced kWh through the customized investment in energy efficiency measures that cover unique and comprehensive facility operations. The program offers \$0.13 per kWh for qualified custom energy efficiency projects proposed by the customer. Estimated demand and energy savings are 50.2 MW and 222 million kWh respectively, over the life of the program.
3. Education and Healthcare Program -- This program targets colleges, universities, schools, hospitals, nursing care facilities and Federal governmental facilities. The prescriptive rebates encourage the installation of high efficiency lighting, ballasts, as well as HVAC retrofits, and replacement and continuous commissioning and retro-commissioning programs. Estimated demand and energy savings are 27.2 MW and 419 million kWh respectively, over the life of the program.
4. Hospitality and Entertainment Program -- This program focuses on the performing arts, hospitality and restaurant industries, offering incentives for efficient lighting, efficient HVAC, retro-commissioning and measurement and verification services. Estimated demand and energy savings are 22 MW and 238 million kWh respectively, over the life of the program.
5. Data Centers Program -- This program focuses on data centers using an energy buyback rate. Data centers typically require a customized solution at each facility. Con Edison will offer to buy back at \$.13/kWh the energy savings from reduced energy use at data center facilities. Estimated energy and demand savings are 8.8 MW and 145 million kWh respectively, over the life of the program.
6. Freezer Case LED Lighting Program -- This is a prescriptive rebate program for replacing incandescent lamp strips with LED strips in refrigerator and freezer cases. These change-outs result in increased energy efficiency, lower heat gain, and reduced motor and compressor operations in refrigerator cases. Estimated demand and energy savings are 2.6 MW and 44 million kWh respectively, over the life of the program.
7. Multi-family Buildings Program -- This program focuses on multi-family buildings specifically addressing common areas such as the outside perimeter lighting, parking garage lighting and ventilation, lighting and space conditioning for entrances, hallways, community kitchens and meeting rooms, elevator motors, central water and heating systems and stairwell lighting. This program also would serve as a lead generator for the residential energy efficiency kits and appliance efficiency programs for tenants or property management organizations making appliance purchasing decisions. This program will offer energy audits and a financial incentive in the form of a "buy back purchase" of estimated energy savings at a rate of \$0.13/kWh. Estimated energy and demand savings are 693 million kWh and 26 MW, respectively, over the life of the program.

These Con Edison programs have been designed to achieve both demand and energy savings. Demand reductions from permanent energy efficiency will allow the company to defer infrastructure projects serving peak load, generating cost efficiencies that will benefit ratepayers.

Contact:
Media Relations
212-460-4111

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