



Con Edison Files Electric & Gas Rate Proposals for 2017

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Smart Meter Technology to Give Customers More Energy Choices & Greater Control Over Bills; Accelerated Gas Main Replacement for Safety, Reliability & Cleaner Environment

NEW YORK, NY -- (Marketwired) -- 01/29/16 -- Consolidated Edison Company of New York, Inc. (Con Edison) today filed rate proposals for its electric and gas delivery services beginning in 2017 to fund infrastructure investments that will give customers greater control over their electric usage and bills; improve service reliability, and help integrate new clean energy technologies into the grid. The company's gas main replacement program also will be accelerated, enhancing safety and facilitating conversion of oil heating systems to cleaner natural gas.

The company's proposals, which would take effect January 1, 2017 subject to approval by the New York State Public Service Commission, would be the first increase in overall delivery rates in nearly five years for electric service and over four years for gas. In addition to stable delivery rates, customers have benefited recently from an overall decline in oil and natural gas prices, which have helped lower electric supply and heating costs.

"We plan to implement a five-year [smart meter](#) modernization program that will reduce operating costs while significantly improving customer service and outage response," said Craig Ivey, president of Con Edison. "The program also is a fundamental building block for incorporating customer-sited resources, like rooftop solar and other technologies, into the grid. The technology will give customers the tools to make economical and environmentally-sound energy choices. Our investments in gas delivery also will enhance safety and support growing demand for natural gas."

The electric rate proposal would be the first increase in Con Edison's overall delivery rates since April 2012. The proposal would result in an overall average bill increase of 4.5 percent (9.5 percent on delivery). These percentage increases reflect a one-year rate plan; however, the company is open to exploring multi-year plans for both electric and gas service with the commission, which would result in lower annual increases.

A typical New York City residential customer using 300 kWh per month would see a bill increase from \$78.52 per month to \$82.63 per month, or a 5.2 percent increase (8.4 percent on delivery). A typical Westchester residential customer using 450 kWh per month would see a bill increase from \$109.64 per month to \$115.89, or a 5.7 percent increase (9.5 percent on delivery). A typical commercial customer using 10,800 kWh per month with a peak demand of 30 kW would see a monthly bill increase from \$2,042 per month to \$2,118 per month, or a 3.7 percent increase (7.7 percent on delivery).

The company's proposal for gas service, the first increase in overall gas delivery rates since October 2012, would result in an average bill increase of 8.2 percent (13.4 percent on delivery).

Under the company's rate proposal for gas, a typical residential customer using natural gas for heating would see an average monthly bill increase from \$142.31 to \$153.30, an increase of 7.7 percent (11.5 percent on delivery). Businesses using an average of 327 therms per month would see an average monthly bill increase from \$355.17 to \$372.03, an increase of 4.7 percent (8.4 percent on delivery). A typical residential customer using natural gas for cooking purposes would see an average monthly bill increase from \$26 to \$29.75, an increase of \$3.75 or 14.4 percent (16.3 percent on delivery).

Ivey said the company's primary goals are to build the infrastructure needed to continue providing safe and reliable electric and gas service to customers at a reasonable cost, while implementing new technology and promoting energy efficiency and renewables. He said Con Edison is focused on public and employee safety, operational excellence, and enhancing the customer experience by enabling greater control over energy usage.

He added that the proposed rate plans reflect Con Edison's continued commitment to operate more efficiently and cost-effectively in day-to-day activities, as well as its efforts to address the state's Reforming the Energy Vision ("REV") initiative and changing supply resources. The filing outlines why certain investments are needed to maintain and further improve system operations, and to enable customers to participate more actively in the energy marketplace. Other planned investments, such as enhancements to the gas infrastructure, will make natural gas available to many more customers and benefit the environment.

Electric Proposal

The company seeks to increase electric delivery revenues by \$482 million, including \$140 million for infrastructure investments needed to maintain and enhance reliability. As Con Edison works with new technologies and incorporates customer-sited generation into its delivery system, the company must make grid investments necessary to maintain reliability.

Con Edison has introduced innovative solutions that utilize energy efficiency, solar installations and other technologies to avoid or defer major, more traditional infrastructure investments. The company has embarked on a program in parts of Brooklyn and Queens that seek to defer a \$1 billion substation in favor of a \$200 million program installing new energy efficiency systems in homes and businesses, as well as utility-scale battery storage.

In addition, Con Edison will be deploying an Advanced Metering Infrastructure (AMI) system, comprised of smart meters, a communications network and IT systems. The integration of new information technology systems approved as part of a previous rate case settlement will support the installation of approximately 3.6 million electric smart meters and 1.2 million gas smart meters beginning next year.

Already deployed in 40 percent of American households, smart meters allow for two-way communication between customers and their utilities. With the advanced system Con Edison is preparing to install, customers will be able to determine through a personalized online portal how much energy is being consumed.

The AMI system will provide Con Edison operators with real time visibility of grid conditions, enabling operation at optimum voltage levels that will reduce energy consumption and greenhouse gas emissions. The AMI communications network will facilitate integration of solar and other distributed energy resources. The network also will be capable of supporting the future integration of a variety of sensors and smart city applications.

Smart meters also permit Con Edison to address many customer needs remotely. Control room operators will be notified automatically if a customer is out of service, and can deal with outages more quickly and without customer prompting. Service turn-ons also can be handled remotely, creating a great convenience for customers, while also saving time and money and reducing emissions from company vehicles.

Con Edison serves 3.3 million electric customers in New York City and Westchester County.

Gas Proposal

Con Edison's proposal for its gas delivery system seeks to increase delivery revenues by \$154 million, including \$77 million for infrastructure investments to support a significant acceleration of the replacement of cast iron and unprotected steel gas mains. The plan also would continue the company's monthly patrols of its gas delivery system begun last year, as well as pilot programs testing residential methane detectors.

The company maintains approximately 4,000 miles of gas mains and service lines in Manhattan, the Bronx and parts of Queens and Westchester County. About half of those gas mains are cast iron or unprotected steel. Con Edison is currently replacing, on average, approximately 65 miles of gas main per year. The company is proposing to ramp up that goal to 100 miles annually, reducing the time of total system replacement from over 30 years to 20 years.

Con Edison serves approximately 1.1 million natural gas customers in New York City and Westchester County.

The company invests approximately \$2 billion annually in its electric and gas delivery infrastructure. Go [here](#) or to <http://www.coned.com/2016-rate-filing/> for the rate filing and additional information.

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 \$45 billion in assets. The utility provides electric, gas and steam service to more than three million customers in New York City and Westchester County, New York. For additional financial, operations and customer service information, visit us on the web at www.conEd.com, for energy efficiency rebates and incentives at www.coned.com/energyefficiency, and on [Twitter](#) and [Facebook](#).

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