



Con Edison Offers New Ways to Meet Growing Natural Gas Customer Needs

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As New Pipelines Face Challenges, Efficiency Measures and Innovative Partnerships Can Help Support Customer Needs and Economic Growth

NEW YORK, Oct. 03, 2017 (GLOBE NEWSWIRE) -- Con Edison has filed innovative proposals to better manage natural gas use and to help meet the growing heating needs of its customers, including doubling the size of the program that pays building owners for conservation measures.

The proposals would put New Yorkers on a path toward a cleaner energy future, with reductions in carbon emissions and more renewable energy options that achieve goals in both the short term and potentially through 2050. (Read [the filing](#) with the New York State Public Commission.)

Bold innovation to more efficiently manage natural gas usage in New York City and Westchester County is needed because construction of new natural gas pipelines is not keeping pace with growing demand.

"We're seeing strong growth in the need for natural gas in our service area, both from new building construction and the phase out of oil as a heating fuel," said Marc Huestis, senior vice president of Gas Operations for Con Edison. "While new gas transmission pipelines and other infrastructure may be needed in the next several years, we've submitted this proposal to advance more gas efficiency programs and partner with customers and other third-party businesses to achieve reductions in natural gas usage, especially on the coldest peak winter days. We are committed to promoting gas efficiency and other innovative clean energy solutions in support of long term New York City and New York State clean energy goals."

Since 2011, natural gas usage on the coldest winter days in Con Edison's service territory has grown by more than 30 percent, and is expected to grow an additional 20 percent in the next 20 years. The company forecasts a shortfall in existing pipeline capacity by 2023, limiting the ability to meet the growing customer demand.

Called "Smart Solutions for Natural Gas Customers," the company's proposed program would encourage cost-effective solutions by:

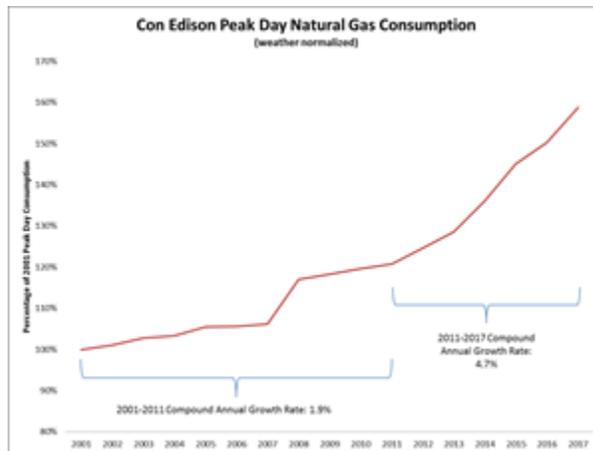
- Doubling from \$14.5 million to \$29 million per year the incentives available to customers for programs that conserve gas usage. This would double the annual savings and peak demand reduction target from 279,000 dekatherms/year and 6,000 dekatherms/day, respectively, to 560,000 dekatherms/year and 12,000 dekatherms/day.
- Creating new gas usage reduction programs that would be employed on the coldest winter days, modeled after Con Edison's successful efforts to reduce electric demand during peak summer demand days.
- Developing an innovation program for renewable alternatives to natural gas heating, including efficient electric heating systems.
- Soliciting the energy marketplace for cost-effective alternatives to pipeline capacity to identify if customers' heating needs can be met cost effectively with non-pipeline resources.

Thousands of Con Edison's customers are transitioning to natural gas because community clean heat programs have required customers to switch from residual heating oil to cleaner heating fuels like natural gas. The flexibility, environmental performance and high reliability of natural gas have also made the fuel attractive to many customers replacing existing heating systems or constructing new buildings.

Growth in natural gas use has brought significant environmental and human health benefits to the region by reducing the use of more expensive and polluting fuels, especially residual oil. In the past five years (2011-2016), Con Edison converted 6,500 large buildings in New York City from oil to natural gas.

The conversions have dramatically reduced emissions of sulfur dioxide, nitrogen dioxide, fine particulate matter, nickel, and greenhouse gases. Fine particulate matter emissions, for example, have been reduced by more than 500 tons on an annualized basis, equivalent to eliminating the particulate emissions from 1.6 million cars.

To maintain and extend these environmental gains, Con Edison will need additional pipeline capacity or an alternative means to balance supply and customer demand on its system. All pipeline capacity coming into the company's service territory is contracted, and there are no projects underway that would provide additional capacity to serve the company's customers.



The need for natural gas by Con Edison customers is growing.

The company has considered multiple proposals to increase the pipeline capacity for its customers, and continues to do so. Recently proposed pipeline projects, however, have stalled due to a failure to secure permits needed prior to construction. As a result the company is taking steps to explore all options to meet its customers' needs.

The steps include early activities to bring more pipeline capacity to the area and, through greater conservation, reducing the size of the pipeline that is needed. If conservation efforts and innovative alternatives for heating are successful and cost-effective, the company could avoid the pipeline project, but because of the large shortfall in capacity, it will be difficult to meet growing customer needs solely through conservation.

Today's proposal would help the company continue to reliably meet the heating needs of its customers. The programs Con Edison proposes are intended to help the company avoid having to institute moratoriums on the interconnection of new customers to its natural gas system. Moratoriums would increase consumer costs and forego opportunities to achieve near-term environmental benefits by moving customers to cleaner heating fuels.

A photo accompanying this announcement is available at <http://www.globenewswire.com/NewsRoom/AttachmentNg/b5637171-51b6-4f1b-a7f2-71cb139bb7f0>

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