



General Services Administration (GSA) Chooses Con Edison Solutions To Provide Electricity For New York City Facilities

May 15, 2000

Savings to Taxpayers Estimated at \$1 Million

WHITE PLAINS, NY, May 15, 2000 - The United Nations, American Red Cross, U.S. Postal Service and other federal agencies have joined under the U.S. General Services Administration's (GSA) power procurement contract to purchase electricity for their facilities in the New York City area from ConEdison Solutions, the leading energy services provider in the northeast. This award marks the second deregulated electric contract for GSA in the agency's Northeast & Caribbean Region and is expected to produce more than \$1 million in savings over the next twelve months for the GSA, its customers, and the U.S. taxpayer.

"We have been working with various members of the GSA for three years and have helped save the U.S. Postal Service over \$625,000 annually through our Lighten Upsm lighting upgrade program," said John Mitchell, National Accounts Manager for ConEdison Solutions. "Now we are very pleased to extend our partnership with GSA to include the sale of energy to the Northeast & Caribbean Region. We will continue to assist the GSA in finding practical ways to optimize their total energy portfolio, resulting in additional savings to GSA customers and the U.S. taxpayer."

Through strategic positioning of the Federal government's energy needs, GSA was able to negotiate better rates by combining low load profile facilities, such as office buildings, with high load profile facilities, such as federal prisons, hospitals and laboratories. Under deregulation, a building's electrical load profile, which is a measure of how much energy a building uses and when it is used, has become extremely important in obtaining energy at the best value. GSA's technique of aggregating Federal energy needs, enabled ConEdison Solutions to provide electricity at a much lower cost than the agency's former electricity providers. As a result, the GSA's fiscal year 2000 utility bill is expected to be about 35% lower than its 1985 utility bill in adjusted dollars. Moreover, GSA office buildings typically outperform their private sector counterparts in terms of utility costs per square foot by 27%, at \$1.41 versus \$1.94 per square foot

Under the terms of the contract, ConEdison Solutions will also be providing electricity to facilities managed independent of GSA by the Department of Veterans Affairs, United States Postal Service, Social Security Administration, Department of Interior, U.S. Coast Guard, United Nations, Smithsonian Institution, and American Red Cross. In all, 106 electric accounts (representing 81 megawatts) are covered under the contract, which commenced on May 1, 2000.

"Once again, in support of the Clinton-Gore Administration's strong commitment to public-private partnerships to make our communities work better, GSA has provided our customers with a means to save on their utility costs and ultimately save taxpayer dollars," said Tom Ryan, GSA Northeast & Caribbean Regional Administrator. "The fact that additional organizations have joined under this contract is proof of the continued success of GSA's strategic positioning by aggregating power contracts, while working with our private sector partners like ConEdison Solutions to manage utility budgets."

While GSA provides a variety of realty management services for Federal Government agencies, the American Red Cross, Smithsonian, and U.S. Postal Service are new customers for the agency's aggregate energy contracts. The United Nations is an independent international organization that joined as a GSA customer for electricity under last year's power procurement and has chosen to continue its participation as a GSA customer in New York City. Both the United Nations and American Red Cross are authorized to use a variety of Federal contracts to contain administrative costs.

ConEdison Solutions is an unregulated subsidiary of Consolidated Edison, Inc. (NYSE: ED) a family of energy companies. In addition to energy resource management services, ConEdison Solutions provides electricity and natural gas to customers in New York, Pennsylvania, New Jersey and Connecticut. More information can be obtained by calling 1-888-210-8899 or visiting the ConEdison Solutions Web site at www.ConEdSolutions.com.

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