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Consolidated Edison Company
of New York, Inc.
4 Irving Place
New York, NY 10003-0987

05-S-1376
Corresp.

June 28, 2006

Stewart Glass, Esq.
County of Westchester
148 Martine Avenue – Room 600
White Plains, NY 10601

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RE: Case 05-S-1376
Con Edison Steam Rates

Dear Mr. Glass:

Attached is Consolidated Edison Company of New York, Inc.'s fourth set of data requests to the County of Westchester in the referenced proceeding.

If you have any questions or problems, please call me.

Very truly yours,

/s/ Mary L. Krayeske

C: Active parties

INFORMATION REQUEST
Consolidated Edison Company of New York, Inc.
Case No. 05-S-1376

Interrogatories to Frank Radigan, on behalf of County of Westchester

28. Please provide the derivation and basis for the statement citing a "subsidy of \$57 million that used to exist at Waterside" (Direct Testimony, page 5, line 13).
29. Please provide specific citations to Con Edison's testimony in Case 03-S-1672 that support the assertion that "the Company believed that the least cost option for increased steam capacity was a combined-cycle facility at Hudson Avenue" (Direct Testimony, page 7, lines 2-6).
30. In reference to Mr. Radigan's statement that, per his calculation, applying the incremental method to ERRP in the same way it has been applied to other steam-electric plants would increase steam rates by \$120 million (Direct Testimony, page 9, line 6-7), please provide the following with respect to that calculation:
- (a) The steam heat rate applied to ERRP in BTU/lb;
 - (b) The resulting electric heat rate of ERRP in BTU/kWh; and
 - (c) The fraction of ERRP's Fuel usage assigned to electric.
31. In reference to the statement, "...there appears to have been no added value...to the other First Avenue properties from including Waterside in the sale" (Direct Testimony, Page 5, lines 2-3):
- (a) Please provide the basis for that statement.
 - (b) In making that statement, has Mr. Radigan considered the contractual price reductions for those other properties that would have applied in the event that Waterside could not be conveyed?
 - (c) Does Mr. Radigan agree that the avoidance of price reductions to the other properties by including Waterside in the sale is evidence that the sale of Waterside added value to the other properties?
 - (d) If the answer to (c) is no, please explain why not.
32. In reference to the statement, "...the net gains from Waterside have been minimal" (Direct Testimony, Page 5, line 1):
- (a) Has Mr. Radigan taken into account the amount of the remaining book cost of Waterside that was recovered from the proceeds of the sale?

- (b) If the answer to (a) is yes, please state the amount of the remaining book cost of Waterside at the time of its sale.
 - (c) If the answer to (b) is no, does Mr. Radigan agree that the use of the proceeds from the sale of Waterside for recovery of the remaining book cost of Waterside, which would have been collected from customers, benefited customers?
 - (d) Please provide Mr. Radigan's understanding of the percentage of the Waterside book cost that was historically allocated to the electric system.
33. In reference to Mr. Radigan's statement that "fuel costs allocated to the Electric System should not exceed the value of energy produced in the wholesale energy market in a given time period, i.e., a year" (direct Testimony, page 15, lines 5-7):
- (a) Has Mr. Radigan analyzed the fuel costs of Waterside allocated to the electric department versus the value of the energy produced in the wholesale market in a given period of time? If yes, please provide the analysis.
 - (b) Is it Mr. Radigan's opinion that, if the wholesale market value of the energy produced at ERRP exceeds the fuel costs allocated to the electric department, the excess should be credited to the steam department?
34. In reference to the statement that "Con Edison should seek to acquire any additional capacity from other sources rather than produce additional steam itself," (Direct Testimony, p. 16, lines 2-3), is it Mr. Radigan's opinion that Con Edison should enter into a steam contract for the purchase of steam even if such contract requires the Company to also purchase electricity? If yes, would that include a contract that would require the purchase of electricity at costs that may exceed the wholesale market price for electricity? If not, what limits would Mr. Radigan place on the price to be paid for electricity?
35. With respect to Mr. Radigan's testimony on the application of the incremental method to East River 6 and Waterside and to ERRP (Direct Testimony, pp.12-13):
- (a) Does Mr. Radigan agree that ERRP differs from the other steam-electric plants in that it uses a gas turbine ("GT") and a heat recovery steam generator ("HRSG") instead of a conventional boiler and steam turbine? If not, please explain the basis for any disagreement with such statement.
 - (b) Does Mr. Radigan agree that, in ERRP, electricity is first generated in the GT and its waste heat is captured in the HRSG and used to produce steam? If not, please explain any basis for disagreement with such statement.
 - (c) Does Mr. Radigan agree that plants with conventional boiler technology, such as Waterside and East River 6, not all of the energy in the high pressure steam emanating from the boiler is used to produce electricity and that some of the energy remains in the steam that is exhausted from the

turbine? If not, please explain any basis for disagreement with such statement.

(d) Does Mr. Radigan agree that, in the case of ERRP, all of the mechanical energy produced by the GT is converted to electricity and no additional fuel is required to make steam to the extent "waste heat" is recovered from the GT exhaust? If not, please explain any basis for disagreement with such statement.

36. With respect to the benefits provided by ERRP's energy to electric customers (Direct Testimony, pp.10-11), does Mr. Radigan agree that the availability of the additional energy produced by ERRP to the wholesale market will result in a market-clearing price for energy that is lower than the clearing price that would have resulted if the energy produced by ERRP were not available? If not, please explain the circumstances under which the market clearing prices would be higher with ERRP than without ERRP.