

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on July 12, 2018

COMMISSIONERS PRESENT:

John B. Rhodes, Chair
Gregg C. Sayre
Diane X. Burman
James S. Alesi

CASE 14-G-0201 - In the Matter of the Investigation Relating to
the Explosion and Collapse of the Buildings at
1644 and 1646 Park Avenue, New York, New York in
the Service Territory of Consolidated Edison
Company of New York, Inc. on March 12, 2014.

ORDER APPROVING PROPOSED USE OF SETTLEMENT
FUNDS WITH MODIFICATIONS

(Issued and Effective July 12, 2018)

BY THE COMMISSION:

INTRODUCTION

On February 16, 2017, the Commission approved a \$153 million settlement with Consolidated Edison Company of New York, Inc. (Con Edison, Company) to resolve a possible penalty action with respect to the March 12, 2014 gas incident in East Harlem, New York (Incident).¹ The Incident caused eight deaths, an estimated 48 serious injuries, and millions of dollars in structural damage. In addition to Con Edison withdrawing and forbearing requests for ratepayer-funded deferrals of the Company's costs incurred responding to an increase in natural gas odor reports in the three years following the East Harlem

¹ Case 14-G-0201, Order Approving Settlement Agreement (issued February 16, 2017) (East Harlem Settlement Order).

Incident, the settlement included approximately \$25 million, plus interest, to be used for the benefit of gas customers.²

As required by the settlement, Con Edison, on December 15, 2017, submitted a Consolidated Edison Company of New York, Inc. Petition Regarding Settlement Funds (Petition) describing the proposed use of the settlement funds. This Order approves the Petition with modifications, as described herein. Foremost, the Petition does not include any proposed reporting mechanism to ensure the funds are being used appropriately, efficiently, and effectively. Therefore, in addition to some reassignment of program funds, this Order adopts reporting requirements.

In conformance with the State Administrative Procedure Act (SAPA) §202(1), notice of Con Edison's Petition was published in the State Register on March 13, 2018 (14-G-0201SP1). The SAPA §202(1)(a) period for submitting comments in response to the notice expired on May 14, 2018. Comments were received from the County Executive of Rockland County, first responders Gerald Knapp and Daniel Moran (Rockland County fire fighters), Assemblyman Robert Rodriguez, who represents East Harlem in New York's 68th Assembly District, and the Fire Department of the City of New York (FDNY).

THE PETITION

In its Petition, Con Edison describes that, in surveys, community members urged that settlement funds be used to educate children of all ages about gas safety and to improve leak detection. Earlier, community requests included job training for youth in East Harlem. In developing the specific

² Con Edison states that, due to interest accrued, the Company estimates the total disbursement will be \$25.5 million since at the time the Petition was filed it was \$25.3 million. Petition at 3, fn.4.

programs it proposes, Con Edison worked with Staff to be responsive to these community requests and to advance gas safety overall.

Therefore, Con Edison proposes using \$25.5 million in the following manner: \$11.3 million would be spent to improve detection of gas leaks (specifically, providing funds to the FDNY and Westchester County to purchase Remote Methane Leakage Detectors (RMLDs) and high-powered blower aeration equipment and providing residential methane detectors to customers); \$11.8 million to improve infrastructure in the East Harlem neighborhood where the Incident occurred (specifically, installing sectionalizing valves at 18 New York City Housing Authority (NYCHA) buildings, replacing large diameter cast iron main, a size that is not included in the Company's approved leak prone pipe replacement program, and lining other cast iron pipes where appropriate); and \$2.4 million to develop educational programs for school-aged children, to fund high school internships, and to educate building superintendents in gas safety.

Gas Detection Proposal

Con Edison proposed natural gas detection programs that would provide (1) \$5.4 million to the FDNY and Westchester County to purchase RMLDs and train first responders in using the devices; (2) \$2.9 million to the FDNY and Westchester County to purchase high-powered blowers to aerate locations where gas has collected due to leakage; (3) \$2 million for methane detectors to be distributed to East Harlem residents, which will include instructions on how and where to install the methane detectors; and (4) \$1 million to fund a pilot program for remote methane

detectors that can communicate through Con Edison's automated metering infrastructure communications system.³

Infrastructure Improvements Proposal

Con Edison proposed infrastructure improvements that include (1) using \$1.5 million to add sectionalizing valves at 18 NYCHA facilities in the East Harlem area. These valves will allow Con Edison to continue to serve customers if there is a large gas incident that could affect the continued provision of service; and (2) rehabilitating cast iron gas pipes in East Harlem by investing \$3.3 million to line existing cast iron pipe and \$7 million to replace other cast iron mains (totaling \$11.3 million).

Gas Safety Education

To advance gas safety education, Con Edison proposed to (1) use \$500,000 to fund a gas safety training program and summer internship program for local youth who participate in the East Harlem Technical high school's plumbing program. This program provides the dual benefit of professional training for local youth and advancing gas safety education; (2) develop, in cooperation with the City University of New York (CUNY), a gas safety education curriculum to be presented to elementary to high school-aged youth, at a cost of \$1 million over five years; (3) leveraging CUNY's relationship with the NYC-based local of the Service Employees International Union (SEIU) and non-union superintendents who manage residential buildings, using \$500,000 to supplement CUNY's existing Superintendent training sessions with gas safety training; and (4) provide CUNY funds to conduct a behavioral economic study to better understand the factors

³ RMLDs are laser-based methane detection devices that can be used at up to 100 feet away from a leak and are able to detect methane within the building through windows or other openings.

that motivate children and adults to call 9-1-1 or Con Edison when they smell gas, at a cost of \$400,000.

In addition to the \$25.5 million investment in gas safety programs, the Company has committed to working closely with Community Board 11, a sub-unit of New York City Government that addresses issues facing groups of neighborhoods. Community Board 11 includes East Harlem, whose residents are very active in attending Community Board 11 meetings (Con Edison reports that oftentimes 100-150 people attend). Further, Con Edison proposed to increase its attendance at other community outreach events and meetings throughout New York City, such as local East Harlem health fairs, senior events, and community group information exchanges.

COMMENTS

The Rockland County fire fighters support providing RMLDS to fire departments in Con Edison's service territory and recommend that Rockland County be used as a pilot location for RMLDS. They state that fire units have only a "vague description" of the possible leak in responding to an odor call and now must approach the area with a combustible gas indicator while other parts of the area could be collecting gas. Further, models of existing gas detection equipment "become saturated" and are slow to detect gas again after initial readings. RMLDs, on the other hand, allow for "instant" confirmation that gas exists or does not exist at the site. RMLDS provide a 100-150-foot sweep of an area and allow for checking the migration of gas from the soil, road surfaces, meters, buildings and sub-surface structures. This allows fire fighters to remain safer by allowing them to test gas levels far away from where hazards exist. RMLDs work inside buildings as well, including basements in which flooding has occurred and pilots have been

extinguished. That said, training the personnel who use RMLDS is as important as the equipment itself.⁴

The Rockland County Executive states his fire departments would greatly benefit from being included in the use of the settlement funds. He cites to a 2012 gas incident in which two fire fighters were seriously injured and which RMLDs could have prevented, and urges the Commission to purchase RMLDs for all Rockland County fire departments.

Assemblyman Rodriguez found "that [Con Edison's] plan addresses the need to enhance safety by providing fire departments with equipment for easier gas leak detection." He believes that "[a]s a safety measure to prevent explosions in the future, methane detectors should be required by law to be in every residence and commercial unit."⁵ As part of the consumer education initiatives, Assemblyman Rodriguez supports "outreach and educational programing dedicated for commercial and in particular small businesses, such as restaurants and delis that utilize gas-powered appliances." He sought further Con Edison "engagement" with new businesses.⁶

The Acting Chief of the FDNY's Fire Academy explained that it had consulted with Con Edison before proposing that the settlement funds for the FDNY be assigned as follows: With respect to Remote Laser Methane Detectors, the FDNY seeks 40 Hazardous Material Technician II Units (HMTU II) (2 per Unit); 25 HMTU I Units (1 per Unit); 1 per Unit for the HM Battalion, Rescue Battalion, and Safety Battalion (total, 3 Units); Marine and Marine Training (Total 10 Units); Training (10 Units); and

⁴ Comments of Gerald Knapp, dated February 11, 2018 and Daniel Moran, dated February 24, 2018.

⁵ Assemblyman Rodriguez comments at 1.

⁶ Assemblyman Rodriguez comments at 2.

Spares (42 Units). In addition to these RMLDs, the FDNY seeks \$500,130 assigned to a 10-year maintenance, repair, replacement, and gas window trainers program, totaling: \$1,825,130.

With respect to the blowers, the FDNY identified the need for 15 Vent Support Units, or "Intrinsically Safe Fans" with added logistical support (maintenance, repairs, training) at a cost estimate of \$90,000 and \$25,000 for maintenance, repairs, training in the use of the fans, totally \$115,000.⁷ The total cost of the intrinsically safe fans and the RMLDs would be \$1.94 million.

The FDNY also seeks funds for training fire fighters in the properties of natural gas fires, stating that the "balance of Settlement, [about] \$6,400,000, would allow [the FDNY] to reach all potential Incident Commanders (Lieutenants, Captains, and Battalion Chiefs) for 4-8 hrs. training." The FDNY notes this allocation is "optimally" the outcome of the funding assigned to the FDNY.⁸

DISCUSSION AND CONCLUSION

Overall, Con Edison's proposed use of the East Harlem settlements funds is sound. The settlement funds will be used fully for the benefit of gas customers, as required by the East Harlem Settlement Order. A significant portion of the funds will improve infrastructure in the East Harlem neighborhood directly affected by the 2014 Incident and will provide gas detection equipment and natural gas education directly to East Harlem residents. The proposal also responds to community requests for job training for local youth.

⁷ Fire departments must use "intrinsically safe" equipment, which is designed not to spark to avoid further incident.

⁸ FDNY Comments at 2.

That said, some use of the funds that Con Edison proposes are being modified based on the FDNY's comments and other factors. They are described below.

Moreover, reporting requirements and Department evaluation of the progress on the use of the funds and the effectiveness of each program are necessary. Therefore, to ensure the funds are being used appropriately, the Department must be kept apprised of the programs' progress. To allow the Department the opportunity for such oversight, Con Edison shall fund one-half of each program within 45 days of the date of this Order to allow each program recipient to begin using the funds immediately. After one year, program recipients that have sufficiently shown that they have made successful progress implementing the program for which they were provided funds, will be provided the balance of the funds by Con Edison. Program recipients that sufficiently show that they have made significant progress implementing the program for which they were provided funds before the one-year mark, after documenting such progress, may ask Con Edison for the remaining funds. After the first six-months of funding, if any of the funds are not forecast to be used in accordance with the specific programs set forth in this Order, or if more funds become available under the terms of the East Harlem Settlement Order, the funds will be used for other gas safety programs approved by the Commission.

Leak Detection Equipment

Remote Methane Leakage Detection Equipment

Con Edison proposed to provide \$5.4 million directly to the FDNY for the purchase of RMLDs.⁹ RMLDs will allow first

⁹ Pursuant to coordination changes for odor calls after a 2009 gas incident, customers in New York City are now told to call 911 when they smell a gas odor. Such calls go directly to the FDNY. The FDNY then alerts Con Edison of the odor report call and its location.

responders to detect and measure the presence of gas as soon as they arrive at the location of an odor call. Included in this proposal is that Con Edison will provide funds for training to the FDNY on the use of RMLDs.

The Rockland County first responders describe that RMLDs "will greatly enhance the ability of the fire department to identify" leaking natural gas and allow leaks to be detected "a safe distance away".¹⁰ Assemblyman Rodriguez agrees, stating RMLDs enhance gas safety by making gas detection easier.¹¹ The FDNY seeks to use the funds assigned to RMLDs to "improve gas safety, increasing the F.D.N.Y.'s ability to respond to gas emergencies and "reducing existing threats."¹²

The FDNY consulted with Con Edison in the purchase of what the FDNY proposes to be 130 RMLDs, with an added budget of \$500,000 for ten years of repairs, totaling approximately \$1.8 million. The FDNY believes that the cost to train all FDNY Battalion Chiefs, Captains, and Lieutenants in gas emergency response will be an additional \$6.5 million.¹³ That said, the FDNY allowed that it will modify its planned use of the funds based upon the amount assigned to the FDNY.

Con Edison's proposal - to provide funds for RMLDs and training to the FDNY and Westchester County - is consistent with the approved settlement, which states the settlement funds shall be used for Con Edison's gas customers. The equipment will allow first responders to make an area safe immediately upon arrival by assessing the threat with the RMLDs and aerating near where gas is leaking, which will protect residents, first

¹⁰ Comments of Gerald Knapp and Danial Moran at 1-2.

¹¹ Assemblyman Rodriguez Comments at 1.

¹² FDNY Comments at 1.

¹³ FDNY comments at 1-2.

responders, and bystanders. This equipment, therefore, can save lives; its purchase, therefore, is approved.

Given the FDNY's stated preferences, funds will be assigned to the FDNY in a manner that is responsive to its requests.¹⁴ However, the FDNY's proposed funding did not include Westchester County fire departments. Westchester should also receive gas safety funding for first responders, as Con Edison proposed, because Westchester is part of Con Edison's service territory. Therefore, given the FDNY's stated flexibility in its proposed budget, Con Edison shall work with the Westchester County Fire Services Division to determine an amount to be provided Westchester County fire departments for RMLDS and for training fire fighters in their use.¹⁵

High-Powered Blowers

Con Edison also proposed to provide the FDNY \$2.9 million to purchase high-powered blowers ("aerator funds"), which will be used to aerate areas in which natural gas has collected. Such aeration dissipates any gas that may have accumulated, making the area safe for first responders, residents, and bystanders.

¹⁴ While Con Edison does not provide natural gas service to all five boroughs of New York City, the FDNY does serve all five boroughs. For this reason, the funds provided to the FDNY are not limited to Con Edison's natural gas service territory.

¹⁵ The Rockland County commenters' request for RMLD funds is rejected. Rockland County is not in Con Edison's service territory nor is the Rockland County fire department operated by the FDNY. Notably, however, in Case 14-G-0186, In the Matter of an Enforcement Proceeding Against Orange and Rockland Utilities, Inc. (ORU) for Alleged Violations of 16 NYCRR Part 753 - Protection of Underground Facilities, in the Service Territory of Orange and Rockland Utilities, Inc., Rockland County was provided \$150,000 to build a gas response training center for fire fighters in a Commission settlement reached with Orange and Rockland Utilities, Inc.

In its comments, the FDNY seeks 15 intrinsically safe fans, which the FDNY believes can be purchased for \$90,000. With training costs, the FDNY estimates aerators will cost \$115,000. Therefore, Con Edison's proposed assignment of \$2.9 million for high-powered blowers is excessive. Instead, Con Edison may provide the FDNY \$115,000 to purchase 15 aerators and for training in how to use them. Some portion of the settlement funds shall also be provided to the Westchester County Fire Services Division for aerators. Con Edison will work with Westchester County Fire Services Division to discern how many intrinsically safe aerators Westchester County first responders need.

In sum, with respect to the fire department funding, a total of \$8.3 million of the settlement funds will be set aside in a separate account for the FDNY and Westchester fire departments. The FDNY will receive sufficient funding for 130 RMLDs and 15 intrinsically safe natural gas aerators. Con Edison shall work with the Westchester County Fire Services Division to determine the needs of Westchester's fire departments and shall, in Con Edison's 60-day report required herein, propose the number of RMLDs and aerators for Westchester County. The remaining funds shall be used for training for both the FDNY and Westchester County fire departments in safe response to gas incidents a manner proposed by Con Edison with Department approval.

Supporting first responders is essential to gas safety. Fire fighters are often the first to arrive on site when an incident occurs; therefore, their need to have a complete understanding of natural gas properties, how natural gas differs from other types of fires, and equipment that can be life-saving cannot be overstated. It is also essential,

however, that the generous funding from this settlement be managed well and transparently.

Therefore, as a condition of accepting the settlement funds for RMLDs, aerators and training, the FDNY and the Westchester County Fire Services Division will follow a reporting system with proof of equipment purchases. Once Con Edison, the FDNY, and the Westchester County Fire Services Division establish the budgets for the FDNY and Westchester County, with which the Department must agree, a schedule of FDNY and Westchester County reporting will need to be established. In its 60-day report, therefore, Con Edison shall include the agreements from the FDNY and the Westchester County Fire Services Division to maintain documentation of their use of the funds, the development of the schedules for first responder training, and confirmation that the fire departments' plans are consistent with this Order. Con Edison should also clarify in its reporting how the Fire Department Gas Emergency Training provided for in the Order Approving Electric and Gas Rate Plans differs from what will be provided through use of the East Harlem settlement funds.¹⁶

Methane Detector Distribution

From customer surveys, Con Edison learned that customers wanted "gas detection devices" to be made available to the community. Therefore, Con Edison proposed to use \$2 million to provide residential methane detectors to East Harlem residents. The methane detectors are appropriate for placement in individual residential units. Assemblyman Rodriguez supports this effort and expresses his support for pending legislation

¹⁶ See Case 16-G-0061 - Consolidated Edison Company of New York, Inc. Gas Rates, Order Approving Electric and Gas Rate Plans (issued January 25, 2017) (Rate Order); see Joint Proposal at 88.

consistent with Con Edison's proposal to provide methane detectors to residential customers; he believes "methane detectors should be required by law to be in every residence and commercial unit."¹⁷ Con Edison also proposed to use \$1 million for a pilot for remote methane detectors using automated meter reading equipment.

It should be noted that, in the Rate Order, Con Edison was directed to spend \$1.975 million from a reconciliation of research and development costs to provide residential methane detectors at no charge on a first-come, first-served basis to its customers.¹⁸ As of July 2, 2018, Con Edison had spent that entire amount. Therefore, when Con Edison provides reporting on how much has been spent on residential methane detectors, any funding attributed to the East Harlem settlement must be incremental to what has been spent in compliance with the Rate Order.

These Con Edison proposals are adopted with the conditions described as follows. First, when distributing the methane detectors, Con Edison shall also provide a manual that instructs residents how and where to install the methane detector. Second, Con Edison shall maintain a log that allows the Company to directly contact customers who receive the methane detectors. This will both help to ensure each residence receives only one methane detector and will allow for follow-up to gauge the success of the program. Third, in 2016, the City of New York enacted a City Code requirement that methane detectors be installed and maintained in all dwellings in New

¹⁷ Assemblyman Rodriguez Comments at 1.

¹⁸ Rate Order at 84-85.

York City after "industry standards have been promulgated."¹⁹ Con Edison shall provide those who receive methane detectors notice of this New York City law. Finally, Con Edison shall track all reported leaks detected by the devices provided as part of this settlement by comparing, at year's end beginning December 31, 2018, the list of addresses that received the devices with the list of all reported leaks. Con Edison shall report the information to DPS Staff by the following March 31, 2018, and on March 31st for three years thereafter.

Due to the fewer than expected customer requests to obtain methane detectors after the Commission authorized \$1.975 million in Con Edison rates for methane detector distribution, East Harlem residents may not request methane detectors in this program to the extent funding is available. Or, once customers accept a methane detector, they may not install it after seeing that methane detectors, unlike carbon monoxide detectors, require specific placement that may require hard-wiring the detector. Therefore, Con Edison shall reach out to gas customers who have received methane detectors (including, to the extent possible, those who have received them in the rate case distribution program) to ask whether the customer installed the detector and, if not, why not. Con Edison shall then include this information in its reporting to the Department on the status of the settlement funds.

Con Edison's proposed use of \$1 million to fund a pilot for remote methane detectors using automated meter reading

¹⁹ See NYC Building Code §908.10. Extensive studies by the Gas Technology Institute have identified methane detector models that can be used effectively and efficiently (e.g. they do not go off for smells other than methane). Con Edison shall distribute the models that were found work best in a residential environment.

equipment is modified.²⁰ The Company has been exploring the use of remote methane detectors, apparently using Company Research and Development funds. Therefore, Con Edison shall hold and not disburse this \$1 million until Con Edison's development of these automated remote detectors are ready for deployment. As such, this funding will not be a pilot program as Con Edison proposes. After the efficacy of the devices are proven, this \$1 million will be used to purchase and install the actual methane equipment.

East Harlem Infrastructure Improvements

Sectionalizing Valves

Con Edison proposed to dedicate \$1.5 million of the settlement funds to installing sectionalizing valves on 18 NYCHA Housing buildings in East Harlem. The existence of such valves allows Con Edison, if a leak is detected inside one of the buildings that has an isolation or sectionalizing valve, to isolate that building so gas service can be maintained to everyone else in the neighborhood. As such, the 18 NYCHA buildings in East Harlem will, when appropriate, maintain gas service in the event of a gas incident. This proposal is approved.

Cast Iron Pipe Rehabilitation and Replacement

The Company's proposal to replace and rehabilitate cast iron main in the East Harlem area affected by the 2014 Incident is approved. Replacement (\$7 million) or rehabilitation (\$3.3 million) of gas mains 12-inches in diameter or larger, which are not planned for replacement in Con Edison's

²⁰ Assemblyman Rodriguez stated in comments that he would like more information on this initiative. Con Edison is directed to provide that information to the Assemblyman and to copy the Department on any such correspondence.

leak-prone pipe replacement program, will reduce the possibility of future leaks.²¹

Con Edison shall maximize the amount of replaced pipe given its cost of \$7 million. Where 16-inch to 30-inch diameter pipe will be installed at intersections, it is reasonable to expect that the costs will be higher; however, a fully competitive bidding process must be used to ensure cost-efficiencies.²²

Educational Programs

The \$2.4 million in educational programs Con Edison proposes are approved with modifications. Gas safety education is fundamental to the success of any gas safety program - odor calls and accepting offers of methane detectors, for instance, only occur when people understand their importance. Assemblyman Rodriguez is "impressed with the attention paid to gas safety education in schools and Con Edison's proposed work with CUNY."²³ Assemblyman Rodriguez supports educating small businesses as well about gas safety.²⁴

Educating children from elementary to high school ages is well-known to be successful in reaching the larger community. Therefore, Con Edison's proposal to begin a gas safety curriculum at the East Harlem Technical School and the development of educational programs with CUNY's existing University Explorer's program, which focuses on 10 Technical

²¹ The rehabilitation will be completed by lining the pipe with a protective material that discourages leaks.

²² Given Con Edison's history with respect to construction bids, the Company shall confirm in its reporting details of the competitive bidding process used.

²³ Assemblyman Rodriguez Comments at 1.

²⁴ Assemblyman Rodriguez Comments at 1.

Schools that teach energy management (a proposal totaling \$1 million and includes the added benefit of skills training) are useful educational tools.

The \$500,000 budget for the East Harlem technical high school training in gas safety and summer internships is approved. Like the fire department reporting, as a condition of receiving the \$500,000 grant the East Harlem technical high school and Con Edison shall include in Con Edison's 60-day report a copy of the gas safety curriculum to be taught. For Con Edison's six-month report, the technical high school shall provide Con Edison, in detail, the program's success in placing students into internships. Con Edison will include updates on the program's progress in its annual reporting to the Department and will also discuss how the funding for this proposal differs from, and is incremental to, the Workforce Development funding provided for in the Rate Order.²⁵

Con Edison's proposal to allot \$500,000 with respect to educating building superintendents, however, does not go far enough. During Staff's investigation after the East Harlem Incident, residents shared that superintendents had told them not to call Con Edison but to call the superintendent if a person smelled natural gas. Since building superintendents are responsible for the upkeep of multi-unit residences, a more robust effort should be made to educate them about gas safety. Therefore, \$500,000 of Con Edison's proposed \$1 million to be directed to CUNY's University Explorers program and high-school-aged students will instead be assigned to the work CUNY is currently doing with Local 32BJ of the Service Employees International Union (SEIU) and non-union superintendents. As

²⁵ Rate Order at 3.

such, the University Explorers program and high school program will receive \$500,000 and the work with SEIU will receive \$1 million. As part of this superintendent training grant, Con Edison shall commission signs that alert tenants who and how they should call in case of a gas odor and provide the signs to trained superintendents for display in buildings using natural gas.

The proposed CUNY study focusing on how the public responds to gas leaks can help Con Edison gear its public educational initiatives effectively. Con Edison shall show in its reporting how it has or will incorporate the study's findings into its planned 5-year educational series. A \$400,000 allowance for this purpose is approved.

In sum, of the \$2.4 million in gas safety education, the East Harlem technical high school program shall be allotted \$500,000. The elementary to high school education curriculum and education shall be awarded \$500,000. CUNY Superintendent training will be assigned \$1 million of the funds, and the CUNY study will receive a \$400,000 allowance.

Con Edison shall provide a detailed curriculum and timeline for its training programs, including an estimate of the number of students and superintendents reached. Con Edison shall include these results in its reporting to the Department.

Ongoing Community Outreach

Con Edison states it will work closely with Community Board 11 by attending Board meetings when possible. With attendance usually between 100-150 people, Con Edison will offer gas safety literature and interpreters when it presents at Community Board 11 meetings. The Company will be present at health fairs, senior events, and other community groups to educate the public about gas safety. Con Edison's proposal for ongoing community outreach, as described in its proposal, is

approved. To address Assemblyman Rodriguez' concern that Con Edison reach small business owners in East Harlem, Con Edison shall hold at least three gas safety forums focused on the needs of small businesses.

Reporting

To verify completion and compliance with the parameters of the settlement fund approvals, Con Edison shall submit reports to chronicle program progress until all the funds are used. The purpose of the required, detailed, 60-day report is to better shape Con Edison's plans and to provide the Department a guidepost for oversight. For instance, in addition to the details described above, for the funds the FDNY seeks for RMLDs and aerators that Con Edison will provide, the FDNY and Westchester County shall provide Con Edison for its 60-day report exactly how many units of RMLDs and aerators will be or have been purchased, at what price, and which fire companies will receive or have received them.

Further, as a condition of receiving these funds, the FDNY and Westchester County are obligated to provide receipts to Con Edison for all equipment purchased as well as a detailed accounting of how many fire fighters have been trained. Con Edison will include the FDNY and Westchester County's reporting in its reporting to the Department.

The 60-day report will also confirm events at which Con Edison plans to provide or has provided community education. Such education shall include a Con Edison presentation to the East Harlem community explaining the programs adopted herein. The 60-day report will include Con Edison's plan for obtaining competitive bids to complete the East Harlem infrastructure remediation and replacement project.

Second, six months after issuance of this Order, Con Edison shall report on the progress to date of each

project/program. The purpose of the six-month report is to allow the Department to assess both that Con Edison is making sufficient progress in funding each program and to confirm that the funds assigned to each program are being used appropriately. Specifically, the six-month report shall show how many residential customers have obtained methane detectors and how much pipe in East Harlem has been remediated or replaced, the status of the gas safety curricula, and how many schools and community groups have been reached. The report will include a status report on the FDNY and Westchester County's first responder equipment purchased and training completed.

Con Edison will also provide the schedule for completing and presenting the gas safety curriculum in schools. Con Edison will use its log of customers who received methane detectors, contact them, and determine how many customers have installed the detectors. Con Edison shall report on its participation in Community Board 11 meetings describing the issues discussed and planned events for future community meetings.

After the six-month report is filed, Department of Public Service Staff will determine whether the funds, as apportioned in this Order, are being used effectively. If they are not, Department Staff will propose additional gas safety programs to use the funds for Commission approval. Similarly, if additional funds become available under the terms of the East Harlem Settlement Order, Staff will propose additional gas safety programs to use the funds for Commission approval.

Thereafter, each year, starting July 1, 2019, until all funds are depleted, Con Edison shall report in detail on the use of funds, including the number of gas customers reached (either estimated, by public education sessions held, or, directly, such as the number of methane detectors distributed

and installed and the numbers of students who participated in gas safety internship programs). Con Edison shall also report the funds remaining in each program. The first annual report may include Con Edison's recommendations for reassignment of the remaining funds, if warranted, or other funds that may become available pursuant to the East Harlem Settlement Order, which the Commission shall approve.

CONCLUSION

With the reporting requirements and the Department's evaluation of progress on the use of funds and the effectiveness of each program, gas safety will be improved with the use of settlement funds in this Order. Con Edison's Petition is approved with the modifications described herein.

The Commission orders:

1. Consolidated Edison Company of New York, Inc. shall distribute to each recipient one-half of the assigned settlement funds for each program within 45 days of the date of this Order. One year from the date of this Order, program recipients that have sufficiently shown that they have made successful progress implementing the program for which they were provided funds, may notify Consolidated Edison Company of New York, Inc. to seek the balance of their funds. Program recipients that sufficiently show that they have made successive progress implementing the program for which they were provided funds before one year from the date of this Order, after documenting such success, may request from Consolidated Edison Company of New York, Inc. their remaining allocated funds.

2. Consolidated Edison Company of New York, Inc., shall provide, 60 days after the date of this Order, a detailed plan that includes timelines and milestones for each program approved and such other information described in the body of

this Order. Any changes to the timelines or milestones reported shall be approved by the Department of Public Service Chief of Pipeline Safety.

3. Consolidated Edison Company of New York, Inc. shall present to the New York City Community Board 11, or other East Harlem community forum a presentation explaining the use of the funds described in this Order and shall, at the time it offers methane detectors to residents, offer instructions showing residents how to install residential methane detectors. Further, Consolidated Edison Company of New York, Inc. shall hold at least three gas safety community education forums for small business owners in the East Harlem community.

4. Six months after the date this Order is issued, Consolidated Edison Company of New York, Inc. shall report on the progress of each project/program approved in this Order. Such report shall include details such as the status of competitive bidding process used to hire a contractor to replace the large diameter pipe in East Harlem and how many residential customers have obtained methane detectors. At this six-month interval, Department of Public Service Staff will determine whether the funds, as apportioned, are being used effectively. If the funds are not being used in accordance with this Order or the Order Approving Settlement Agreement (issued February 17, 2017) at any time during the pendency of the use of the settlement funds, the Department of Public Service shall propose their use in gas safety programs approved by the Commission.

5. The Fire Department of New York and the Westchester County Fire Service Divisions shall, before Consolidated Edison Company of New York, Inc.'s six-month report to the Commission, provide to Consolidated Edison Company of New York, Inc., the number of Remote Methane Leak Detectors and aerators purchased or to be purchased and their types, details

of the natural gas training program developed, and the number of personnel trained in natural gas response and the use of the Remote Methane Leakage Detectors and aerators.

6. Every year, starting July 1, 2019, until all settlement funds are spent, Consolidated Edison Company of New York, Inc. shall report to the Department of Public Service's Chief of Pipeline Safety on the use of funds and the success or completion of programs. Such reports shall include, for instance, an estimated or precise number of gas customers who attended public education sessions held and the number of methane detectors distributed, the total feet of replaced cast iron pipe, as well as the funds remaining in each program. The reports shall include updates on Consolidated Edison Company of New York, Inc.'s timelines and milestones for each program.

7. On March 31, for the next three years, starting March 31, 2019, Consolidated Edison Company of New York, Inc. shall report to the Department of Public Service's Chief of Pipeline Safety on the number of gas leaks reported at the locations where residents have been provided residential methane detectors.

8. Consolidated Edison Company of New York, Inc. is directed to provide to Assemblyman Robert Rodriguez further details on Consolidated Edison Company of New York, Inc. research and development of remote methane detectors using automated meter reading equipment and shall copy the Department on any such correspondence.

9. Within 60 days of the date of the complete depletion of the settlements funds, Consolidated Edison Company of New York, Inc. shall submit its final, comprehensive, report to the Secretary.

10. Consolidated Edison Company of New York, Inc. shall provide to the Department of Public Service Chief of

Pipeline Safety a recommendation for the use of any unused funds or unassigned interest accrued if necessary.

11. Consolidated Edison Company of New York, Inc. shall maintain the East Harlem Settlement funds in a separate account that may be audited by the Department of Public Service.

12. In the Secretary's sole discretion, the deadlines set forth in this order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least one day prior to the affected deadline.

13. This proceeding is continued.

By the Commission,

(SIGNED)

KATHLEEN H. BURGESS
Secretary