

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

Site: Astoria Site

- Cost Projection for Linking Period: \$17.35 million
- Cost Projection for Rate Year: \$7.96 million
- Expected Site Investigation and Remediation Activities:

Investigation and, if necessary, remediation of the Astoria Site is being addressed under the Resource Conservation and Recovery Act ("RCRA") Corrective Action requirements imposed as part of the New York State Department of Environmental Conservation ("DEC") hazardous waste management permit for the Company's PCB/hazardous waste storage facility on the site, as well as under the requirements of the Consolidated Consent Order ("Consolidated Order") that the Company and the DEC entered into in 2006 for the purposes, of among other things, modifying the provisions of their 1994 Consent Order relating to the investigation/remediation of spills and leaks of petroleum products from the Company facilities and equipment at the locations specified in Appendix B of the 1994 Consent Order. Investigations have been conducted for most areas of the Astoria Site. In February 2008, the Company provided the DEC with a report describing the investigation work performed at the Astoria Site during the period 1994-2007. In late 2008, the DEC identified the Athletic Fields section of the site as a potential area of concern and required Con Edison to perform an investigation for this new area. Con Edison conducted an investigation of the Athletic Fields during the first quarter of 2009 and completed remediation in this area during 2011. Additional investigation is also required for the former MGP areas of the site and to address the DEC's comments on the investigation report for the deep groundwater impacts of the site's former central wastewater treatment facility.

After the required additional investigations have been completed and the DEC determines that the Astoria Site has been adequately investigated, Con Edison will be required to conduct a comprehensive Corrective Action Measures Study and Risk Assessment in order to make recommendations to the DEC as to whether additional remediation is required beyond the various Interim Corrective Measures ("ICMs") that have already been completed for the Site (free product recovery, storm sewer relining, "hotspot" soil excavation, and central waste treatment holding tank excavation/dredging) and the remediation work discussed below.

The primary remediation costs projected for the Astoria Site during the Linking Period are associated with the remediation of the North Storage Yard area of the site, where oil-filled transformers and PCB waste were, and will continue to be, stored by the Company. The North Storage Yard is contaminated with PCBs, polycyclic aromatic hydrocarbons ("PAHs"), and heavy metals, and the DEC has determined that remediation is required to address the threats posed by that contamination. The remedial action work plan approved by the DEC includes soil excavation (to a depth of two feet below surface grade in most areas of the North Storage Yard and to greater depths around hot spots); off-site disposal of excavated soil; installation of additional groundwater monitoring wells which will be monitored for five years; and institutional controls. The work plan has also been approved by U.S. Environmental Protection Agency ("EPA") as a risk-based PCB cleanup and disposal approval under the EPA's Toxic Substances Control Act regulations in 40 CFR 761.61(c). The costs associated with the North Storage Yard remediation are based on contractor bid costs for remediation and remedial engineering oversight and support. The estimated costs for the North Storage Yard remediation and required follow-up activities total approximately \$10 million during the Linking Period and \$0.1 million during the Rate Year.

The primary remediation costs projected for the Astoria Site during the Rate Year are associated with the East Yard, where new and reconditioned transformers returned from the field are stored by the Company. The primary chemical of concern for the East Yard is PCBs, which in several areas are present in relatively high levels in soil. The estimated remediation cost for the East Yard is projected to be approximately \$8.2 million based on initial estimates provided by a consultant. Of that amount, it is

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case

SIR Cost Projection Additional Information

projected that approximately \$2 million would be incurred during the Linking Period and approximately \$6.2 million would be incurred during the Rate Year.

Based on the investigation findings thus far, it is assumed that various ICMs will be designed and implemented during the Linking Period and Rate Year for the Astoria site. It is also assumed that these ICMs will primarily involve excavation and off-site disposal of contaminated soil and sediment located in site areas other than the North Storage Yard and East Yard, which are addressed above. Additional investigation will be required to address the DEC's comments and concerns pertaining to the site characterization study completed for the former MGP areas of the Astoria Site and other reports that include MGP-related impacts. Furthermore, the Company anticipates that the DEC will continue to require the Company to operate and maintain a storm sewer treatment system that is needed to treat groundwater infiltration and a small amount of stormwater runoff, and to meet DEC-imposed discharge limits specified for the site's storm water discharges in an April 2010 Consent Order. Although specific areas for interim corrective measures have not yet been identified, it is estimated that approximately \$0.3 million will be incurred during the Linking Period for a pre-design investigation and design of the remedy for the East Yard, and that approximately \$5 million will be incurred during the Linking Period and approximately \$1.6 million will be incurred during the Rate Year for the additional investigation, new ICMs, and operation and maintenance of the DEC-mandated storm sewer treatment system. In addition, the Company has assumed that costs of \$15,000 per quarter will continue to be incurred for on-going interim corrective measures, which involve gauging and recovery of oil in several wells located at the site.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** North First Street Terminal (NFST)

- Cost Projection for Linking Period: \$1.39 million
- Cost Projection for Rate Year: \$0.16 million
- Expected Site Investigation and Remediation Activities:

Con Edison sued Fyn Paint and Lacquer Company in the United States District Court for the Eastern District of New York seeking relief under the federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and New York common law for the solvent contamination that has and continues to migrate from Fyn Paint's plant on Kent Avenue in Brooklyn onto portions of the Company's adjoining North First Street Terminal ("NFST") Site. While that action was pending, Fyn Paint and the DEC entered into a Voluntary Cleanup Agreement ("VCA") for the investigation and remediation of the contamination that Fyn Paint's operations caused to its property and to off-site properties, such as the NFST Site. Based on the results of Fyn Paint's investigation, the DEC approved, and Fyn Paint has been implementing, an Interim Remedial Measures ("IRM") Work Plan that entails the operation of a product recovery system to remove free-phase solvents and to treat associated contaminated groundwater impacts from beneath Fyn Paint's property and the NFST Site. In March 2008, the district court entered an order enforcing a settlement that requires Fyn Paint to fund 72% of the costs of the DEC-required investigation/remediation work for the Fyn Paint property and NFST Site up to a maximum contribution of \$792,000, and Con Edison to fund the remaining costs of that work up to a maximum contribution of \$3,208,000. No agreement has been reached and no judgment has been entered to address the allocation and funding by the parties of DEC-required investigation/ remediation costs that exceed \$4 million.

The DEC has required Fyn Paint to excavate contaminated soil on its property and to continue groundwater treatment and solvent recovery as a final remedy for its property and the NFST Site. Fyn Paint's revised Remedial Action Work Plan ("RAWP") to implement that remedy was approved by the DEC in October 2009. Fyn Paint's enhanced solvent recovery/groundwater treatment system was field-tested during June and July 2010, and its remedial design to complete system upgrades was submitted to the DEC for approval in January 2011. In July 2011, the DEC determined that Fyn Paint's remedial design was not supported by the field test data and requested that Fyn Paint perform additional testing. In February 2012, Fyn Paint submitted plans to conduct additional testing. In May 2012, the DEC informed Fyn Paint that it may proceed with the plan, which Fyn Paint has implemented. Fyn Paint has incorporated the results of its field test in the final remedial design that it submitted to the DEC for approval in September 2012.

Fyn Paint's preliminary estimated cost for installing, operating, maintaining and monitoring the DEC-required product recovery/groundwater treatment system is approximately \$1.7 million. This does not include technical oversight costs that will be incurred by the Company in its court-mandated role as a construction manager for Fyn Paint's remediation contractors. The Company projects that it will incur costs of \$1.39 million during the Linking Period, primarily for the costs of the procurement and installation of the "full-scale" treatment system, as well as technical oversight by an engineering consultant. The Company also projects that it will spend approximately \$0.16 million during the Rate Year for technical oversight. These cost projections do not include investigation/remediation costs for the Fyn Paint-related groundwater contamination that was recently detected on additional portions of the NFST Site. The DEC has directed Fyn Paint to investigate and begin developing proposed remedial alternatives for that contamination.

The Company's cost projections do not include costs for reimbursement of Fyn Paint's costs beyond those mandated by current settlement, which limits such reimbursement to a total of \$3,208,000.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** Flushing Creek

- Cost Projection for Linking Period: \$0.31 million
- Cost Projection for Rate Year: \$3.375 million
- Expected Site Investigation and Remediation Activities:

In September 2007, the DEC notified the Company that PCB contamination, which the DEC attributes to Con Edison's and its predecessor companies' operations at the Company's former Flushing Service Center, had been detected in the sediment of a mudflat area of the Flushing Creek along the former service center property's bulkhead. In April 2008, the DEC and the Company entered into an Administrative Consent Order under which the Company is required to investigate the extent of the off-site contamination caused by those former operations and, if deemed necessary by the DEC, to remediate that contamination. In 2009 and 2010, the Company implemented a DEC-approved remedial investigation/feasibility study ("RI/FS") work plan for the mudflat area in question and other sections of the Flushing Creek in the vicinity of the former service center property. The Company submitted an RI Report to the DEC in March 2011 and received DEC approval of the report in August 2011. The results of the investigation indicate that PCBs and other contaminants are present in Flushing Creek sediment the vicinity of the former service center site, as well as in areas further upstream and downstream from the site. Based on forensic PCB congener analysis and other data, the Company concluded, and the DEC agreed, that some of the sediment contamination was not caused by contamination that originated at the Company's former service center. On October 21, 2011, the Company submitted a draft FS Report to the DEC. This report evaluated various remedial alternatives and recommended a preferred option entailing the dredging of contaminated sediment from a specified area to address PCB-impacted sediment in the vicinity of the former service center. Based upon the DEC's comments, Con Edison revised its draft FS in June 2012, to propose the dredging of a larger area in the vicinity of the former service center property. The revised FS Report is currently under review by the DEC.

During the Linking Period, Con Edison estimates that it will spend approximately \$0.31 million to prepare, implement, and report on a Pre-Design Investigation and to initiate the Remedial Design. Con Edison anticipates that it will incur expenses of approximately \$3.375 million during the Rate Year to complete the Remedial Design and perform the remediation. The Rate Year cost estimate assumes that the DEC will select Con Edison's recommended remedial alternative.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** Kent Avenue

- Cost Projection for Linking Period: \$3.25 million
- Cost Projection for Rate Year: \$1.100 million
- Expected Site Investigation and Remediation Activities:

The Kent Avenue Site comprises the grounds of a former New York City Transit Authority power plant that the Company initially leased and eventually purchased from the City of New York. After purchasing the Site, the Company constructed and operated gas turbines on portions of the site to augment its 25 cycle generation capacity. During the period 2007-2009, the Company demolished all remaining facilities on the property. Site investigation activities were performed before and after this demolition project. In July 2010, the Site was added to the Company's 2002 MGP Site Voluntary Cleanup Agreement ("VCA") with the DEC. Although the Kent Avenue Site is not a MGP site, it is located adjacent to a former MGP site that is being addressed by National Grid. The DEC decided to add the Kent Avenue Site to Con Edison's MGP site VCA to provide a mutually acceptable mechanism for DEC oversight of the Site's investigation and remediation. In January 2012, the Company completed the remediation of the Site's former power plant ash pit, which contained PCB-contaminated sediment. The remediation involved sediment removal, dewatering and disposal, and filling the pit with concrete.

In February 2012, the DEC accepted the Company's investigation reports for the remainder of the Site and concurred with the Company's recommendation to perform soil removal to address soil contamination (primarily heavy metals) outside the footprint of the power plant building that was demolished in 2009. As a condition of its approval, the DEC required Con Edison to submit a work plan to perform a supplemental subsurface investigation between the demolished building and Wallabout Channel and an Interim Remedial Measure ("IRM") work plan for on-site soil removal. The Company has submitted and the DEC has approved a work plan for the required supplemental investigation work. This work plan was implemented, and an investigation report has been submitted to the DEC. In June 2012, the Company submitted an IRM work plan to the DEC, which approved it on October 4, 2012. Con Edison anticipates that it will start IRM implementation during the Linking Period and complete it during the Rate Year. Linking Period and Rate Year costs are projected to be approximately \$3.25 million and \$1.1 million, respectively.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** Third Avenue Yard

- Cost Projection for Linking Period: \$3.795 million
- Cost Projection for Rate Year: \$0.484 million
- Expected Site Investigation and Remediation Activities:

The Third Avenue Yard is a Company-owned service center that has several separate underground storage tank (“UST”) areas:

- The North UST Area contained two 2,500-gallon (diesel fuel and gasoline) UST's. Both tanks were removed and replaced in 1998. An investigation was conducted, and a remedial action pilot plan was implemented using periodic vacuum enhanced fluid recovery (“VEFR”) events. Groundwater sampling is on-going pursuant to a proposed monitored natural attenuation (“MNA”) plan that was submitted to the DEC in 2011.
- The South UST Area had two 4,000-gallon tanks (diesel fuel and gasoline), which were removed in 1998. Limited soil excavation was performed at that time. Groundwater monitoring that began in 2003 indicated the presence of dissolved phase gasoline constituents. A remedial action pilot plan was implemented using periodic VEFR events. In 2008, a Remedial Action Selection Report (“RASR”)/Remedial Action Work Plan (“RAWP”) was submitted to the DEC which proposed the use of enhanced bioremediation. During September 2009, light non-aqueous phase liquid (“LNAPL”) was identified in one of the monitoring wells in this area. Because of this finding, the enhanced bioremediation option was abandoned. Instead, a remedial investigation to delineate the extent of the LNAPL-impacted soil was implemented in 2011. In 2012, Con Edison submitted to the DEC an RAWP that proposed soil excavation to remove the LNAPL and natural attenuation to address dissolved-phase groundwater contamination. Based on DEC’s comments on the RAWP, it was determined that a pre-design investigation (“PDI”) is needed to collect data to refine the final scope of the RAWP.
- The Eastern UST Area was formerly the location of two gasoline service stations. Fourteen (14) underground tanks (gasoline, used oil, and dielectric fluid) were found and removed in that area, and petroleum and PCB-contaminated soil was excavated. This remediation was completed in 2004 and approved by the DEC. Due to the presence of residual groundwater contamination in a small section of this area, the Company is manually bailing oil from some wells at this location.
- During demolition activities in the western portion of the Third Avenue Yard site, petroleum contaminated soil was encountered in an area where a former heating oil tank is believed to have been located. This area is referred to as the Demolition Area. An initial investigation was performed in 2011. A remedial investigation work plan was submitted to the DEC, which approved it in 2012. Field work was implemented in May 2012 according to the approved work plan. It was determined that further soil delineation is required. Fingerprint analysis of product recovered from one well showed a mixture of tar or tar-derived material (rich in Naphthalene), with petrogenic material identified as a weathered gasoline/kerosene mixture.

During the Linking Period, the Company estimates that it will spend approximately \$3.795 million to complete a remedial investigation in the Demolition Area (former heating oil UST area); implement a PDI and a remedial design; perform soil remediation in the South UST Area; start remediation in the Demolition Area; continue groundwater monitoring, including passive product recovery in the Eastern UST Area; and continue groundwater monitoring and reporting for the North UST Area. The Company anticipates that it will incur expenses of approximately \$0.484 million during the Rate Year to complete soil remediation of the former Demolition Area, and continue the aforementioned activities in the North UST Area and Eastern UST Area sections of the site.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** Gowanus Canal

- Cost Projection for Linking Period: \$1.405 million
- Cost Projection for Rate Year: \$0.93 million
- Expected Site Investigation and Remediation Activities:

On March 2, 2010, the EPA added the Gowanus Canal in Brooklyn (the “Canal”) to its National Priorities List (“NPL”) of Superfund sites. In August 2009, before the Site was listed, Con Edison received an EPA Notice of Potential Liability and Request for Information regarding its and its predecessors’ operations at three facilities that are located adjacent to or near the 1.8 mile Canal: the Third Avenue Yard; the Gowanus Substation; and the Gowanus Gas Turbines (which were sold in 1999). In November 2009, the Company submitted a comprehensive response to EPA’s Information Request with respect to the three named facilities. In addition to Con Edison, as of October 2012, EPA has sent notices of potential liability and requests for information to 35 other parties and has sent requests for information to 62 additional other parties. The Company understands that EPA’s review is ongoing and that EPA will send additional notices of potential liability and requests for information to other parties as information develops. Since receiving the notice of potential liability, Con Edison has notified its insurers and the buyer of the gas turbines (which assumed liability for certain environmental-related matters under the Company’s agreement of sale).

EPA has completed its remedial investigation and risk assessment of the Gowanus Canal Superfund Site. They confirm that the sediment in the Canal is contaminated with a variety of pollutants, including coal tar, heavy metals, pesticides, PAHs, PCBs, and volatile organic contaminants. PAHs were the most prevalent contaminant found in the Canal and at the highest concentrations. In December 2011, the EPA issued a draft Feasibility Study Report that evaluated various remedial alternatives. The timetable announced by EPA calls for the agency to select a remedy by the end of 2012. After a final decision on the scope and type of remediation is made, it is the Company’s understanding that EPA expects the detailed remedial design for the Site remedy to be performed from 2013 – 2015 and the selected remedy to be performed in phases from 2016 - 2020.

Con Edison projects that it will incur costs of \$1.405 million during the Linking period and \$0.93 million during the Rate Year for outside consultant and legal support in an effort to minimize the Company’s potential liability and for contributions to a PRP Group. At this time, there is insufficient information to determine estimated response and remediation costs for the Gowanus Canal Site, the Company’s potential share of such costs, and when any such costs would be incurred by the Company.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** Hunts Point EDC MGP Site

- Cost Projection for Linking Period: \$ 3.000 million
- Cost Projection for Rate Year: \$ 1.200 million
- Expected Site Investigation and Remediation Activities:

This approximately 204-acre site is currently the Hunts Point Cooperative Food Market, which is owned by the City of New York. Before it was sold to the City by the Company, the site was the location of the Company's Hunts Point Gas Works, which the Company operated from the mid-1920's until the early 1960's. The MGP investigation and remediation activities at the majority of this Site are being managed on the City's behalf by the New York City Economic Development Corporation ("EDC"). In March 2000, the Company entered into a Memorandum of Agreement ("MOA") with the City under which the Company agreed to reimburse the City for up to \$14.247 million of the costs the City (either directly or through the EDC) incurred implementing DEC-approved MGP investigation and remediation programs for parcels A, B, C, E and the Perimeter section of the Hunt Point Site under the City's VCAs with the DEC. In October 2010, the Company made its required final payment to the City under the March 2000 MOA.

In July 2008, the Company and the City entered into a second agreement that addresses MGP contamination on parcels D, F and E-OU3 within the Hunts Point Site. This agreement was necessary because the EDC, on the City's behalf, entered into VCAs with the DEC for the investigation and remediation of these additional parcels over the next several years.

In 2010 and 2011, the Company filed with the DEC work plans to investigate potential impacts within portions of the Hunts Point Site that are covered under by the Company's 2002 MGP Site VCA with the DEC. These include the Krasdale Foods, New York City Sanitation Department Marine Transfer Station, Sultana, Citarella, and New York City Department of Correctional Facilities properties, the Halleck Street sidewalk area, and the sediments in the adjacent Bronx River and East River. In addition, as directed by the DEC, the Company has filed separate work plans to investigate and implement an IRM to address dry weather discharges of MGP-related contaminants to the Bronx River from a storm water sewer pipe and outfall located on the Krasdale Foods section of the Site. The Company is implementing the approved investigation plan for the dry weather discharges of those contaminants. Based upon the DEC's comments on the Company's draft remedial alternatives assessment, it appears that the Company will be required to implement an IRM that, among other things, entails excavation of MGP purifier waste from around the storm sewer pipe on the Krasdale Foods property and the replacement of the existing pipe (which is eroded) with a new pipe bedded in concrete to prevent MGP-related contaminants from infiltrating the new pipe and being discharged to the Bronx River.

The cost projections for the Linking Period and Rate Year represent: (1) estimated payments to EDC for reimbursement of the City's costs of implementing DEC-approved investigation/ remediation programs for parcels D, F and E-OU3 that are covered under the 2008 agreement between the City and the Company and (2) the Company's projected costs of implementing DEC-approved investigation/remediation programs for the portions of the Hunts Point Site that are covered under the Company's 2002 VCA with the DEC.

Payments to EDC for the new parcels are estimated based on EDC's preliminary schedule and cost estimates and the Company's experience reimbursing the City's investigation/remediation expenditures under the 2000 MOA. Con Edison's investigation/remediation costs for the parcels that are covered under its 2002 VCA with the DEC are based on the estimates prepared by its environmental consultant for this site and its experience conducting similar investigation/ remediation work.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** W. 45<sup>th</sup> Street Gas Works MGP Site

- Cost Projection for Linking Period: \$ 8.350million
- Cost Projection for Rate Year: \$ 1.745 million
- Expected Site Investigation and Remediation Activities:

The West 45th Street Gas Works formerly existed on portions of two city blocks (Blocks 1092 and 1093) and the adjacent waterfront in the Borough of Manhattan, New York City and New York County, New York. The West 45th Street Gas Works operated from 1887 to 1913. The western fourth of Block 1092 and 1093 were taken by the City of New York in 1913 for the reconfiguration of roadways in association with inland pier extensions. The Gas Works stopped operation in 1913 and most of the buildings were razed. A large gas holder continued to be used until 1965. The remaining property on Block 1092 is presently used for warehouses and a parking lot, and the remaining property on Block 1093 is used for a parking lot and a natural gas refueling station. The rest of the former Gas Works is under 12th Avenue and the West Side Highway/Joe DiMaggio Highway. The extreme eastern ends of Piers 84 and 86 (currently numbered City Piers 21 and 30) were part of the site, but likely were only used for unloading coal from docked barges along the waterfront. No structures were built on the piers during occupancy by the MGP.

This site has been divided into two Operable Units by the DEC. The Intrepid Museum parking lot (where the former MGP's gas production and purification facilities were located) is designated as Operable Unit 2 (OU-2) and the rest of the site (which includes the locations of the former MGP's gas storage holders) is designated as OU-1. The investigation of OU-1 was completed in 2008. Subsurface MGP impacts were detected beneath portions of OU-1. However, in light of the extensive commercial operations presently being conducted in those areas and the limited nature of the MGP impacts present, a future DEC-required OU-1 remedy would likely to consist of institutional controls that include land use restrictions and the implementation of a site management plan ("SMP") that would, among other things, require periodic inspections/monitoring, annual compliance certifications to the DEC, and the proper handling and disposal of MGP-impacted subsurface soil during future site redevelopment or construction work. The future approval of such a remedy by the DEC would be subject to community and affected landowner participation.

OU-2 was investigated and significant subsurface impacts were found. The OU-2 area was previously paved for use as a parking lot by the Intrepid Museum. The Company has been approached by the Intrepid Museum regarding plans for redevelopment of the parking lot as the location of an exhibit hall in the near future. The Company will proceed with remediation plans for the parking lot area, which, based on the significant coal tar and other subsurface MGP-related impacts present, is likely to entail extensive soil excavation and the removal of coal tar-laden relief holder foundations.

The cost projection for the Linking Period is for (1) finalization of an OU-1 Remedial Action Work Plan and preparation of Site Management Plan for the institutional controls expected to be required for the OU-1 area; and (2) preparation of a Remedial Design for the Intrepid Museum parking lot property and initiation of remediation. With respect to the forecasted expenditure for the Rate Year, the cost projection assumes that the Intrepid Museum will proceed with redevelopment of the parking lot and that remediation of OU-2 will take place during the Rate Year.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** Pelham Gas Works MGP Site

- Cost Projection for Linking Period: \$ 21.540 million
- Cost Projection for Rate Year: \$ 0.800 million
- Expected Site Investigation and Remediation Activities:

The Site formerly consisted of an oven-gas type and carbureted water gas type manufactured gas plant that was operated by various predecessors of Con Edison until approximately 1951. A liquid petroleum-air gas production plant with petroleum off-loading and storage facilities were operated at the Site by Con Edison until 1968. The Site now consists of retail and commercial stores and surrounding parking areas. The intended future use of the Site will continue to be for retail/commercial use.

Remediation of this site, which is currently an active shopping center, began in January 2008 and was substantially completed in August 2009. To better manage groundwater migration and prevent potential free product movement, a corrective action plan has been designed for the subsurface Waterloo containment barrier wall running along the western section of the site and adjoining Eastchester Creek and will be performed during the Linking Period and Rate Year.

The activities associated with the anticipated costs during the Linking Period include:

- Construction of the corrective action by the Company's remediation contractor;
- Consultant field oversight;
- Additional construction permit fee to be paid to the Village of Pelham Manor;
- DEC oversight;
- Post-remediation operation and maintenance of the groundwater treatment system, the recovery of coal tar-related materials remaining underground after remediation, and the two sub-slab depressurization systems; and
- Continued investigation of off-site areas, including Eastchester Creek and property adjacent to the shopping center.

For the Rate Year, the cost projection reflects the post-remediation operation and maintenance activities, and finalization of the final engineering report and site management plan. Additionally, toward the end of the Linking Period and during the Rate Year, off-site area investigation will be conducted to assess potential contaminant migration.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** East 14<sup>th</sup> Street Works – East River

- Cost Projection for Linking Period: \$ 1.310 million
- Cost Projection for Rate Year: \$ 1.000 million
- Expected Site Investigation and Remediation Activities:

The Site consists of the grounds of the Company's former East 14<sup>th</sup> Street Gas Works, which are now occupied by the Company's East River Generating Station, and the Company-owned land located between East 15<sup>th</sup> and East 16<sup>th</sup> Streets and Avenue D and the East River Drive, which is the former location of two gas holders and is now leased by the Company to a community organization for use as a little league ball field. To date, site investigation has been limited to the former gas holder property for which the DEC has approved a remedy that involves the installation of a synthetic turf cap and restoration of the existing ball field to prevent exposure to the subsurface MGP contaminated soil located beneath the top two feet of soil on the property. The engineer's estimate for the cost of this work during the Linking Period is \$1.3 million with the additional estimated cost of \$20,000 for consultant support for procurement and construction. The remainder of this work is estimated at \$1.0 million to be conducted during the Rate Year.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** Purdy Street Station MGP Site

- Cost Projection for Linking Period: \$2.905 million
- Cost Projection for Rate Year: \$0.1 million
- Expected Site Investigation and Remediation Activities:

The Purdy Street Station Site is the former location of an MGP that was operated by a Company predecessor until approximately 1911, a gasholder that was operated by the Company until the 1940's, and a service center/ garage that was operated by the Company until the early 1960's, when it sold the site to Saint Raymond Church. The Church has operated Saint Raymond High School for Boys on the site since 1964. The Company has completed an extensive DEC-approved investigation for the site, as well as DEC-mandated IRMs for: the subsurface MGP purifier contamination located adjacent to an annex classroom building that the Church constructed on the central portion of the site in 2010 and 2011; and the service center-related petroleum contamination located beneath the footprint of that building. The cost projection for the Linking Period includes the estimated cost of designing a remedy for the coal tar and other MGP-related contamination located beneath the high school's athletic field in the northern section of the site and the implementation of a DEC-approved remedy for that contamination. A remedy has not been selected by DEC. The Company's cost projections are based upon the DEC's approval and the Church's acceptance of the preferred alternative identified in the Company's draft remedial alternatives analysis report for the site.

The cost projection for the Rate Year is for estimated costs necessary to prepare the final engineering report and the site management plan for the site.

Actual costs will differ depending upon the scope of the subsurface excavation required under the remedy selected by the DEC based on community and property owner comments, the actual amount of contamination encountered, as well as settlement of cost claims by the owner (such as the potential relocation of certain school-related operations during the implementation of the remediation work), and costs of long-term operations, maintenance and monitoring for the remedy, including the land use restrictions and other institutional controls imposed by the DEC as part of the remedy.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** East 11<sup>th</sup> Street Works

- Cost Projection for Linking Period: \$ 0.087 million
- Cost Projection for Rate Year: \$ 1.000 million
- Expected Site Investigation and Remediation Activities:

The site consists of the grounds of the New York City Housing Authority's Jacob Riis Housing Project, The St Emeric Church and School, a New York City Department of Environmental Protection Sewage Pumping Station and the Haven Plaza Apartment Complex. This area is designated OU-1. OU-2 is off-site impacts and includes the East River Park and the sediments of the East River. The remedial investigation has been completed for all areas and been accepted by DEC. A draft Alternatives Analysis Report ("AAR") has been completed for OU-1 and proposes limited soil removal, DNAPL recovery, a Site Management Plan, indoor air monitoring and groundwater monitoring. An AAR is being developed for OU-2.

During the Linking Period it is expected that the annual indoor air monitoring will continue. During the Rate Year the expected activities will include the remediation of OU-1, specifically the Jacob Riis Housing Project. This remediation would consist of removal and disposal of the top 2 feet of all exposed soil, the installation of a DNAPL recovery system, the development of a Site Management Plan, annual indoor air monitoring and annual groundwater monitoring.

Consolidated Edison Company  
of New York, Inc.  
2013 Gas Rate Case  
SIR Cost Projection Additional Information

**Site:** East 115<sup>th</sup> Street Gas Works

- Cost Projection for Linking Period: \$ 1.010 million
- Cost Projection for Rate Year: \$ 2.730 million
- Expected Site Investigation and Remediation Activities:

The East 115<sup>th</sup> Street Works was built and operated by the Standard Gas Light Company of the City of New York from 1895 to 1936 and was turned over to Consolidated Edison Company of New York, Inc. in June 1937, as a result of the companies' merger. According to historic information, the site was not operated as a manufactured gas plant while under the ownership of Con Edison. The plant was dismantled and in 1941, a public high school was erected on the property and still operates today as the Manhattan Center for Science and Mathematics ("MCSM").

The DEC has issued a Decision Document approving the remedy for this site. The approved remedy involves installation of a sub-slab depressurization system under the MCSM building; limited excavation of MGP-impacted soils; and, an underground barrier wall to prevent migration of MGP residuals into the nearby Harlem River.

During the Linking Period it is expected that the activities will consist of designing and installing a sub-slab depressurization system at the MCSM. During the Rate Year the expected activities are the completion of the sub-surface depressurization system and the design and installation of a subsurface barrier wall.