

Comments

05-S-1376

**CONSUMER
POWERLINE**

June 19, 2006

Honorable Jaclyn Brilling
Secretary
New York Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

CONSUMERPOWERLINE'S STATEMENT OF SUPPORT FOR JOINT PROPOSAL
Case 05-S-1376 – Consolidated Edison Company of New York, Inc.
Steam Negotiations

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ConsumerPowerline (CPLN) submits this Statement in support of the Joint Proposal filed June 2nd, 2006 in reference to Case 05-S-1376. If approved by the New York State Public Service Commission (the Commission) the Proposal will resolve several issues between Con Edison and the parties and holds the potential to prove beneficial to Con Edison steam customers. CPLN believes the resulting Proposal negotiated between the New York State Public Service Commission Staff (Staff), the parties, and Con Edison presents necessary components that will sustain Con Edison's steam system service to its customers.

The Proposal is consistently fair and reasonable to Con Edison's concerns while considering customer concerns. Input from multiple parties, Staff, and Con Edison led to the development of several important aspects of the Proposal, such as the proposed customer service/outreach and ombudsman that Con Edison will provide in order to establish better relations with its steam customers. Such actions are reasonable and fair given the introduction of a demand charge, as customers will likely take steam costs into deeper consideration. Additionally, CPLN finds the Proposal is justified and appropriate, given the necessary challenges in balancing diverse interests. For example, the rate design collaborative between the parties and Con Edison to be held from May 2007 to August 2007 to discuss and analyze the demand charge rate is justifiable and appropriate in order to create the fairest demand charge for customers and in order to keep priorities centered on the public interest.

In order to maintain the public interest in negotiating this Proposal, the Commission requires settlement guidelines be met. CPLN believes the Proposal was drafted following these guidelines, for example ratepayers and investors will see no increase in the current fuel rate for Rate Year 1 while maintaining reliable steam distribution. Given that several diverse parties drafted the Proposal, CPLN believes the Proposal represents the public


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interest.

However, CPLN does hold from its endorsement of the Joint Proposal any provisions made in connection to the Steam Production Study. CPLN is not privy of the conclusions of the Steam Production Study and therefore cannot support its role in the Joint Proposal.

CPLN believes the Proposal should be approved for its potential to resolve numerous prior disagreements between Con Edison, the parties, and Staff. It is presented in a manner consistent with the public interest and within the range of reasonable results that could be expected in a thoroughly litigated proceeding. For these reasons CPLN recommends the Commission adopt the June 2, 2006 Joint Proposal.

Respectfully submitted,



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