STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 22-E-0064 –	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service.
CASE 22-G-0065 –	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Gas Service.

JOINT PROPOSAL

February 16, 2023

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JOINT PROPOSAL

THIS JOINT PROPOSAL ("Proposal" or "JP") is made as of the 16th day of February 2023, by and among Consolidated Edison Company of New York, Inc. ("Con Edison" or "Company"), New York State Department of Public Service Staff ("Staff"), the City of New York (NYC), and other parties whose signature pages are or will be attached to this Proposal (collectively referred to herein as the "Signatory Parties").

Background

On January 28, 2022, Con Edison proposed changes to its electric and gas rates and tariffs,[1] to be effective January 1, 2023.[2] Although the Company proposed one-year electric and gas rate plans, it included information in its testimony and exhibits to facilitate consideration of multi-year rate plans during settlement discussions.

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[1] Schedule for Electricity Service, P.S.C. No. 10 – Electricity (the "Electric Tariff"), Schedule for Power Authority of the State of New York ("PASNY") Delivery Service, P.S.C. No. 12 – Electricity (the "PASNY Tariff"), and Schedule for Gas Service, P.S.C. No. 9 – Gas (the "Gas Tariff").

[2] Con Edison is currently operating under three-year electric and gas rate plans with the terms January 1, 2020 through December 31, 2022. *See* Cases 19-E-0065 and 19-G-0066, Consolidated Edison Company of New York, Inc. – Electric Rates, *Order Approving Electric and Gas Rate Plans* (issued and effective January 16, 2020) (2020 Rate Order).

On March 2, 2022, the administrative law judges ("ALJs") appointed to preside over the proceedings held a procedural conference in New York City, which was immediately followed by a Company presentation on the filings. On March 8, the ALJs issued a procedural schedule. On April 8, the Company filed its revenue requirement update and update testimony. On May 20 and May 23, twenty-two parties filed testimony.[3] On June 17, the Company and five parties filed rebuttal testimony.[4] On June 17, the Company filed a notice that settlement negotiations would commence on July 6.[5] The parties thereafter engaged in approximately 90 settlement meetings, including "breakout" meetings on specific topics. Settlement negotiations were either held in person or via teleconference, and all settlement negotiations were conducted in accordance with the Commission's Settlement Rules, 16 NYCRR §3.9. Parties engaged in discovery throughout the process, with the Company responding to over 1,900 formal discovery requests.

The parties' negotiations have been successful and have resulted in this Proposal, which is presented to the Commission for its consideration.

[3] Parties filing initial testimony were Staff, Alliance for a Green Economy/WE ACT for Environmental Justice, BlocPower, Bob Wyman, City of New York, CityBridge, Consumer Power Advocates, Environmental Defense Fund ("EDF"), Independent Power Producers of New York, Natural Resources Defense Council ("NRDC"), New York Energy Consumers Council, New York Power Authority ("NYPA"), New York Retail Choice Coalition, New York State Office of General Services, New York State Senator Robert Jackson, NRG Energy, NYS Assembly Member Zohran Mamdani, Public Utility Law Project of New York ("PULP"), Retail Energy Supply Association, Sane Energy Project, Utility Intervention Unit-Division of Consumer Protection-Department of State, and Walmart

[4] Parties filing rebuttal testimony were Staff, Bob Wyman, City of New York, NRDC, and NYPA.

[5] This notice was filed with the Secretary to the Commission ("Secretary").

Overall Framework

The Joint Proposal reflects a set of terms and conditions for three-year electric and gas rate plans, as set forth herein and in the appendices. The Joint Proposal contains provisions supportive of and in furtherance of the objectives of the Climate Leadership and Community Protection Act ("CLCPA").

A. Term

The electric and gas rate plans proposed herein, if adopted by the Commission, would be effective as of January 1, 2023, and will continue through December 31, 2025 ("Electric Rate Plan" and "Gas Rate Plan," respectively, and collectively, both plans will be referred to as "Rate Plans"). Certain provisions of this Proposal may continue thereafter as set forth in section Q(1).

For the purposes of this Proposal, Rate Year means the 12-month period starting January 1 and ending December 31; Rate Year 1 ("RY1") means the 12-month period starting January 1, 2023 and ending December 31, 2023; Rate Year 2 ("RY2") means the 12-month period starting January 1, 2024 and ending December 31, 2024; and Rate Year 3 ("RY3") means the 12-month period starting January 1, 2025 and ending December 31, 2025.

B. Rates and Revenue Levels

1. Electric

The electric revenue increases and associated impacts are shown below:

Electric Revenue Increases and Impacts ($ Millions)

		Unlevelized	Levelized[6]
RY1	Revenue Increase	$442.3	$457.5
	Impact on Delivery	6.4%	6.6%
	Impact on Total Bill	4.0%	4.2%
RY2	Revenue Increase	$517.5	$457.5
	Impact on Delivery	7.0%	6.2%
	Impact on Total Bill	4.5%	4.0%
RY3	Revenue Increase	$382.2	$457.5
	Impact on Delivery	4.8%	5.8%
	Impact on Total Bill	3.2%	3.8%
Total of Incremental Increases [7]	Revenue Increase	$1,342.0	$1,372.4
	Impact on Delivery	19.3%	19.8%
	Impact on Total Bill	12.2%	12.5%

The Signatory Parties propose that base rate changes be implemented on a levelized bill impact basis to provide rate stability over the term of the Electric Rate Plan. This Proposal recommends changes to the Company's electric delivery service rates and charges, including the fixed component of the Monthly Adjustment Clause ("MAC"), designed to produce an additional $457.45 million in revenues on an annual basis starting in RY1, an additional $457.45 million increase in revenues on an annual basis starting in RY2, and an additional $457.45 million increase in revenues on an annual basis starting in RY3.[8] Revenue changes by service class are shown in Appendix 16.

The annual levelized rate changes would result in higher base rates at the end of the three-year term of the Electric Rate Plan than they would otherwise be under a non-

[6] The levelized rate changes are inclusive of interest on the deferred rate increase calculated at the Other Customer-Provided Capital Rate.

[7] The cumulative revenue increase over the three years of the Electric Rate Plan is detailed on page 10 of 11 in Appendix 1.

[8] Nothing in this JP precludes or limits the Company from seeking recovery of incremental costs associated with the implementation of the New York State Climate Leadership and Community Protection Act.

levelized approach. Accordingly, if the Company does not file for new rates to be effective January 1, 2026, the Company will make a compliance filing by December 1, 2025 to set rates effective January 1, 2026 at a level that is designed to produce non-competitive delivery base rate revenues on an annual basis that are lower by $30.355 million. The Revenue Decoupling Mechanism ("RDM") target for the Rate Year commencing January 1, 2026 will be reduced by $30.355 million.[9]

The major components of the electric revenue requirements underlying this Proposal are set forth in Appendix 1. These revenue requirements reflect the amortizations of various customer credits and debits on the Company's books of account that have previously been or are projected to be deferred by the Company. The list of deferred customer credits and debits to be applied during the Electric Rate Plan is attached as Appendix 3.

a. Rate Year One Revenue Requirement Recovery[10]

The Company will recover shortfalls and refund over-collections that result from the extension of the suspension period in this proceeding as follows:

Differences in non-competitive delivery service revenues that result from the extension of the suspension period, plus interest at the pre-tax weighted average cost of capital,[11] will be collected via the implementation of a Delivery Revenue Surcharge

[9] Revised RDM targets will be included in the December 1, 2025 filing.

[10] On June 17, 2022, the Company filed a letter with the Secretary agreeing to a one-month extension of the statutory suspension period in these proceedings subject to a "make-whole" provision that would keep the Company and its customers in the same position they would have been absent the extension for each electric and gas. Subsequent letters were filed agreeing to additional extensions on July 26, 2022 (60 days), September 23, 2022 (30 days), November 1, 2022 (30 days), December 22, 2022 (30 days) and January 13, 2023 (30 days).

[11] As detailed on page 11 of Appendix 1.

("DRS") under both the Electric Tariff and the PASNY Tariff. The DRS will be in effect from the date rates become effective in this case through December 31, 2024. The unit amounts to be collected from customers will be shown by Service Classification ("SC") on the Statement of Delivery Revenue Surcharge. Any difference between amounts required to be collected and actual amounts collected will be charged or credited to customers in a subsequent DRS Statement that will become effective December 31, 2024.

Competitive services' revenue differences associated with the extension of the suspension period will be reconciled as follows:

- Differences associated with the supply-related component (including purchased power working capital) and credit and collections-related component of the Merchant Function Charge ("MFC") will be reconciled through the annual operation of the Transition Adjustment for Competitive Services.
- Differences associated with the credit and collections-related component of the Purchase of Receivables ("POR") Discount Percentage will be reconciled through the annual reconciliation of the POR Discount Percentage.

b. Supply and Supply-related Charges and Adjustments, Monthly Adjustment Clause and NYPA Surcharge

The Company will recover all prudently-incurred supply and supply-related costs, including, but not limited to, power purchase costs and the embedded costs of retained generation through the Supply and Supply-related Charges and Adjustments[12] and the

[12] Costs recovered through the Supply and Supply-related Charges and Adjustments include the following costs: the Market Supply Charge ("MSC"); Adjustment Factors – MSC (except for Customers served under Rider M); the Merchant Function Charge; and the Clean Energy Standard Supply Surcharge.

MAC mechanism, as currently set forth under General Rules 25 and 26.1 in the Electric Tariff, respectively. In addition, the Company will collect certain charges from NYPA through the Statement of Other Charges and Adjustments ("NYPA OTH Statement"), as set forth under Additional Delivery Charges and Adjustments in Section H of the PASNY Tariff.[13]

The Company will amend the Electric Tariff and the PASNY Tariff to reflect the modifications described below:[14]

i. Add MAC component 11 to recover actual annual storm costs if the $12.651 million annual threshold is exceeded, plus interest at the Other Customer Provided Capital Rate, subject to an annual surcharge cap of $32.5 million. Any amounts in excess of the surcharge cap will not be rolled forward to the next year and will not count towards the next threshold calculation. A corresponding change will be made in the PASNY Tariff to add a new section entitled "Reconciliation of Storm Costs" to the NYPA OTH Statement section.

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[13] For costs, charges, and credits covered by the Supply and Supply-related Charges and Adjustments, the MAC mechanism, and NYPA OTH Statement, the Company will continue to recover such costs and charges, and provide such credits, as incurred, by reflecting these charges, costs and/or credits in monthly statements filed pursuant to these mechanisms. Unless otherwise specified, the allocation of costs, revenues, incentives, and other adjustments between customers served under the Electric Tariff and customers served under the PASNY Tariff will be based on the PASNY allocation, as defined in Section H of the PASNY Tariff ("PASNY Allocation"). The PASNY Allocation is defined in Section H as the ratio of forecasted Rate Year Delivery Revenues under the PASNY Tariff to the total combined forecasted Rate Year Delivery Revenues under the PASNY and Electric Tariffs for the Rate Year in effect at the commencement of the collection period.

[14] Tariff changes of a housekeeping nature are listed in the tariff change section.

ii. Add language for the COVID Late Payment Fee Reconciliation to annually recover/refund the reconciliation of actual late payment fee revenues with Commission approved levels included in base rates, plus interest at the Other Customer Provided Capital Rate, and collect/pass back any variance over a subsequent twelve-month period through MAC component 20. A corresponding change will be made in the PASNY Tariff to the existing section "Unbilled Fees Adjustment" in the NYPA OTH Statement section. In addition, the Company will update language in MAC component 20 related to unbilled fees that were approved for recovery through the MAC pursuant to the Commission's Order Authorizing Alternative Recovery Mechanism for Unbilled Fees, issued and effective November 18, 2021, in Cases 19-E-0065 and 19-G-0066, for clarity.

iii. Add language for the COVID Uncollectible Reconciliation Adjustment to recover the difference, plus interest at the Other Customer Provided Capital Rate, between the actual annual uncollectible expense and Commission approved levels in rates for the period January 1, 2020 through December 31, 2025, and collect/pass back any variance through MAC component 21. A corresponding change was made in the PASNY Tariff to add a new section entitled "COVID Uncollectible Reconciliation Adjustment" in the NYPA OTH Statement section.

iv. Add MAC component 23 related to the Reconciliation of Property Taxes to charge or credit customers the amount by which actual annual property taxes differ from Commission approved levels in base rates, plus interest at the Other Customer Provided Capital Rate. A corresponding change will be made in the PASNY Tariff to add a new section entitled "Reconciliation of Property Taxes" in the NYPA OTH Statement section.

v. Modify MAC component 39 and the NYPA OTH Statement section in the PASNY Tariff to indicate that, in addition to charges, the Company may receive refunds from PJM Interconnection L.L.C. related to its former 1,000 MW firm transmission service agreement and credit customers for such refunds.

vi. Modify the NYPA OTH Statement section in the PASNY Tariff to indicate that energy efficiency-related EAMs not recoverable from PASNY customers will be the Smart Building Electrification EAM and will no longer be the Deeper Savings EAM and Share the Savings EAM.

vii. Add a provision to the MAC and the NYPA OTH Statement section in the PASNY Tariff to credit customers for the revenue requirement impact of any federal funding received under the Infrastructure Investment and Jobs Act once the underlying project is in-service.

viii. Add a provision to the MAC and the NYPA OTH Statement section of the PASNY Tariff to recover costs related to the Low Income Distributed Energy Resources Make Ready Program.

c. Revenue Decoupling Mechanism

The Company will amend the currently-effective RDM to reflect the modifications recommended in this Proposal as outlined in section G.7. and in Appendix 4. The RDM, as modified, will continue unless and until changed by Commission order.

Consistent with the RDM mechanism in effect: (i) any interim charges/credits associated with the RDM reconciliations of actual versus targeted revenues for periods commencing on and after January 1, 2023, will become effective on the first day of the month in which they become effective, and (ii) any RDM deferrals will accrue interest as set forth in section F.3 below. The costs of the Energy Affordability Program will be reconciled through the RDM as set forth in section N.

During the course of this Rate Plan, either the Company, through a tariff filing, or any party by petition to the Commission, may propose an adjustment to the RDM targets in effect, if the Company or such party, as applicable, believes that circumstances are causing anomalous results unduly impacting certain customers. Any proposed changes to RDM targets must be revenue and earnings neutral to the Company.

d. PJM OATT Charges

Due to on-going litigation,[15] the Company may incur charges or receive refunds from PJM Interconnection L.L.C. related to its former 1000 MW firm transmission service agreement. In the event the Company does incur such charges/refunds, it may recover/credit that amount from/to its Con Edison customers through the MAC and

[15] PJM Interconnection, L.L.C., 168 FERC ¶ 61,133 (2019) (order on remand); *New Jersey Board of Public Utilities v. PJM et al.*, Order Denying Complaint, 163 FERC ¶ 61,139 (2018) and *Consolidated Edison Company et al. v. FERC*, 45 F.4th 265 (D.C. Cir. 2022).

from/to NYPA through the NYPA OTH Statement. The allocation of any such amount between Con Edison and NYPA customers will be based on the percentage allocation of T&D revenues to Con Edison and NYPA customers included in the revenue allocation for the rate year to which the charges/credits relate.

NYPA's allocation will be limited to $4.6 million in any rate year to which the charges/refunds relate. If PJM OATT rates and charges are incurred for less than a full rate year, then NYPA's allocation shall be limited to $4.6 million multiplied by the number of months in the partial year divided by twelve months. The Company will recover/credit any retroactive PJM billing adjustments through the MAC and, when not in excess of the applicable cap described above, through the NYPA OTH Statement.

Should the allocation to NYPA exceed the applicable limitation or cap in any rate year, any excess in that year will instead be collected from or returned to Con Edison customers through the MAC.

e. Other Charges

The Signatory Parties agree that whenever the Company is, or will be subject to, governmental or regional transmission organization ("RTO") transmission and/or generation-related charges, costs or credits (e.g., FERC, NYISO, PJM, or the Environmental Protection Agency ("EPA")) not already listed in or otherwise covered by the then-effective Supply and Supply-related Charges and Adjustments and the MAC tariff language, notwithstanding the Commission's adoption of this Proposal, the Company may make a tariff filing with the Commission providing for recovery of such charges/costs, or application of these credits, through the Supply and Supply-related Charges and Adjustments and the MAC mechanism and/or comparable adjustment mechanism, as appropriate. The proposed tariff amendment is subject to review and approval by the Commission and may include charges/costs/credits applicable to the period prior to the effective date of the tariff amendment.

2. Gas

The gas revenue increases and associated impacts are shown below:

Gas Revenue Increases and Impacts ($ Millions)

		Unlevelized	Levelized[16]
RY1	Revenue Increase	$217.2	$187.2
	Impact on Delivery	12.1%	10.4%
	Impact on Total Bill	7.8%	6.7%
RY2	Revenue Increase	$173.3	$187.2
	Impact on Delivery	8.6%	9.4%
	Impact on Total Bill	5.8%	6.3%
RY3	Revenue Increase	$122.0	$187.2
	Impact on Delivery	5.6%	8.6%
	Impact on Total Bill	3.9%	5.9%
Total of Incremental Increases[17]	Revenue Increase	$512.5	$561.6
	Impact on Delivery	28.5%	31.3%
	Impact on Total Bill	18.5%	20.2%

The Signatory Parties propose that base rate changes be implemented on a levelized bill impact basis to provide rate stability over the term of the Gas Rate Plan. This Proposal recommends changes to the Company's retail gas sales and gas transportation service rates and charges, designed to produce a $187.20 million increase in revenues on an annual basis starting in RY1, an additional $187.20 million increase in revenues on an annual basis starting in RY2, and an additional $187.20 million increase

[16] The levelized rate changes are inclusive of interest on the deferred rate increase calculated at the Other Customer-Provided Capital Rate.

[17] The cumulative revenue increase over the three years of the Gas Rate Plan is detailed on page 10 of 11 in Appendix 2.

in revenues on an annual basis starting in RY3. Revenue changes by service class are shown in Appendix 17.

The annual levelized rate changes would result in higher base rates at the end of the three-year term of the Gas Rate Plan than they would otherwise be under a non-levelized approach. Accordingly, if the Company does not file for new rates to be effective January 1, 2026, the Company will make a compliance filing by December 1, 2025 to set rates effective January 1, 2026 at a level that is designed to produce non-competitive delivery base rate revenues on an annual basis that are lower by $49.091 million. The Revenue Decoupling Mechanism ("RDM") target for the Rate Year commencing January 1, 2026 will be reduced by $49.091 million.[18]

The major components of the gas revenue requirements underlying this Proposal are set forth in Appendix 2. These revenue requirements reflect the amortizations of various customer credits and debits on the Company's books of account that have previously been or are projected to be deferred by the Company. The list of deferred customer credits and debits to be applied during the Gas Rate Plan is attached as Appendix 3.

a. Rate Year One Revenue Requirement Recovery

The Company will recover shortfalls and refund over-collections that result from the extension of the suspension period in this proceeding as follows:

Differences in non-competitive delivery service revenues that result from the extension of the suspension period, plus interest at the pre-tax weighted average cost of

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[18] Revised RDM targets will be included in the December 1, 2025 filing.

capital,[19] will be collected via the implementation of a DRS. The DRS will be in effect from the date rates become effective in this case through December 1, 2025. The unit amounts to be collected from customers will be shown by SC on the Statement of Delivery Revenue Surcharge. Any difference between amounts required to be collected and actual amounts collected will be charged or credited to customers in a subsequent DRS Statement that will become effective December 1, 2025.

Competitive services' revenue differences associated with the extension of the suspension period will be reconciled as follows:

- Differences associated with the supply-related component and credit and collections-related component of the MFC will be reconciled through the annual reconciliation of the MFC.
- Differences associated with the credit and collections-related component of the POR Discount Percentage will be reconciled through the annual reconciliation of the POR Discount Percentage.

b. Revenue Decoupling Mechanism

The Company will amend the RDM to reflect the modifications recommended in this Proposal as outlined in section H.8. and in Appendix 5. The RDM, as modified, will continue unless and until changed by Commission order. The costs of the Energy Affordability Program will be reconciled through the RDM as set forth in section N.

During the course of this Rate Plan, either the Company, through a tariff filing, or any party by petition to the Commission, may propose an adjustment to the RDM targets

[19] As detailed on page 11 of Appendix 2.

in effect, if the Company or such party, as applicable, believes that circumstances are causing anomalous results unduly impacting certain customers. Any proposed changes to RDM targets must be revenue and earnings neutral to the Company.

c. Gas Cost Factor / Monthly Rate Adjustment

The Company will recover all supply and supply-related costs through the Monthly Rate Adjustment ("MRA"), Gas Cost Factor ("GCF"), and Daily Delivery Service ("DDS") mechanisms.[20]

The Company will amend the Gas Tariff to reflect the modifications to the MRA described below:

1. Modify the language in General Information Section IX. 23 Safety and Reliability Surcharge Mechanism ("SRSM") to incorporate the leak prone pipe replacement cap.
2. Add language to General Information Section VII (B) (2) regarding cost recovery and incentives for the Non-Pipe Alternatives through the MRA.
3. Add language for the COVID Late Payment Fee Reconciliation to annually recover/refund the reconciliation of actual late payment fee revenues with Commission approved levels included in base rates, plus interest at the Other Customer Provided Capital Rate, and collect/pass back any variance over a subsequent twelve-month period through the MRA under General Information Section IX.
4. Add language under General Information Section IX.31 for a new MRA component related to the Reconciliation of Property Taxes to charge or credit customers the amount by which actual annual property taxes differ from Commission approved levels in base rates, plus interest at the Other Customer Provided Capital Rate.
5. Add language for the COVID Uncollectible Reconciliation Adjustment to recover the difference, plus interest at the Other Customer Provided Capital Rate, between the actual annual uncollectible expense and Commission approved levels in rates for the period January 1, 2020 through December 31, 2025, and collect/pass back any variance.

[20] The Company recovers various costs and charges, and provides certain credits, through the GCF, DDS, and MRA. For costs, charges, and credits covered by these mechanisms, the Company will continue to recover such costs and charges, and provide such credits, as incurred, by reflecting these charges, costs and/or credits in statements filed pursuant to these mechanisms.

6. Modify the Non-Pipeline Alternatives ("NPA") language under General Information Section IX, Special Adjustments, which will include the approved NPA Project Amortization Period and the Shareholder Incentive Mechanism.

Nothing in this Gas Rate Plan precludes the Company from submitting a tariff filing to implement additional revenue neutral changes as between and among the GCF, DDS, and MRA during the term of the Gas Rate Plan.[21]

d. Non-Firm Revenues

The revenue requirement for each Rate Year reflects a base rate revenue imputation of $65 million attributable to Non-Firm Revenues, in accordance with the Company's tariff.

e. Lost and Unaccounted For Gas

The calculation for Lost and Unaccounted for Gas established by the 2010 Gas Rate Order, as modified effective January 1, 2014, continues for the term of this Gas Rate Plan. The methodology for calculating Lost and Unaccounted for Gas and a sample calculation are provided in Appendix 6.

f. Other Charges

The Signatory Parties agree that whenever the Company is, or will be subject to, FERC-approved charges, costs or credits not already listed in or otherwise covered by the then-effective tariff language for these adjustment mechanisms, notwithstanding the Commission's adoption of this Proposal, the Company may make a tariff filing with the Commission to provide for recovery of these costs or charges, or application of these

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[21] Such revenue neutral changes may include, for example, changes to the allocation of credits between and among full service customers, firm transportation customers and SC 20 marketers.

credits, through the GCF, DDS, and/or MRA. The proposed tariff amendment is subject to review and approval by the Commission and may include charges/costs/credits applicable to the period prior to the effective date of the tariff amendment.

C. <u>Computation and Disposition of Earnings</u>

Following each of RY1, RY2 and RY3, Con Edison will compute, separately, the earned rate of return on common equity for its electric and gas businesses for the preceding Rate Year. The Company will file with the Secretary under Cases 22-E-0064 and 22-G-0065 these computations of earnings no later than sixty (60) days after the end of each Rate Year.

1. <u>Earnings Sharing Threshold</u>

If the level of earned common equity return for any Rate Year exceeds 9.75 percent ("Earnings Sharing Threshold"), the amount in excess of the Earnings Sharing Threshold will be deemed "shared earnings" for the purposes of this Proposal. One-half of the revenue requirement equivalent of any shared earnings above 9.75 percent but less than 10.25 percent will be deferred for the benefit of customers and the remaining one-half of any such shared earnings will be retained by the Company; seventy-five (75) percent of the revenue requirement equivalent of any shared earnings equal to or in excess of 10.25 percent but less than 10.75 percent will be deferred for the benefit of customers and the remaining twenty-five (25) percent of any shared earnings will be retained by the Company; and ninety (90) percent of the revenue requirement equivalent of any shared earnings equal to or in excess of 10.75 percent will be deferred for the benefit of customers and the remaining ten (10) percent of any shared earnings will be retained by the Company.

2. **Earnings Calculation Method**

For each Rate Year, for purposes of determining whether the Company has earnings above the Earnings Sharing Threshold:

a. The calculation of return on common equity capital will be "per books," that is, computed from the Company's books of account for each Rate Year, excluding the effects of (i) Company performance-based revenue adjustments; (ii) other positive incentives (i.e., Brooklyn Queens Demand Management Response Program ("BQDM") and NPA/NWA incentives); (iii) EAMs; (iv) the Company's share of property tax refunds earned during the applicable Rate Year; (v) any other Commission-approved ratemaking incentives and revenue adjustments in effect during the applicable Rate Year; and (vi) the amount of expense for awards under the Company's Executive Incentive Program.

b. Such earnings computations will reflect the lesser of: (i) an equity ratio equal to fifty (50) percent, or (ii) Con Edison's actual average common equity ratio. Con Edison's actual common equity ratio will exclude all components related to "other comprehensive income" that may be required by generally accepted accounting principles; such charges are recognized for financial accounting reporting purposes but are not recognized or realized for ratemaking purposes.

c. If the Company does not file for new base delivery rates to take effect within fifteen (15) days after the expiration of RY3, the Earnings Sharing Threshold and the other earnings sharing thresholds will continue until base delivery rates are reset by the Commission. Such calculation will be performed on an annual basis in the same manner as set forth above. Revenue targets and trued-up expenses contained in Appendices 7 and 8 will be based on RY3 levels for electric and gas.

d. The actual average rate base for any stay-out period less than 12 months will be adjusted by an operating income ratio factor. This adjustment to rate base is intended to align operating income to the level of rate base that generated that income. This factor will be calculated as the ratio of operating income during the same partial year period in the previous Rate Year to the total operating income for that Rate Year. This methodology is illustrated in Appendix 11.

3. Disposition of Shared Earnings

For earnings above the related Earnings Sharing Threshold in any Rate Year, the Company will apply fifty (50) percent of its share and the full amount of the customers' share of earnings above the sharing threshold that would otherwise be deferred for the benefit of customers under this Proposal, to reduce under-collection of Site Investigation and Remediation costs ("SIR Costs") deferred in the Rate Year.[22]

In the event the amount of shared earnings available to reduce deferred under-collection of SIR Costs exceeds the amount of such deferred under-collection, the Company will apply the amount of the excess to reduce other interest-bearing deferred costs accumulated in the Rate Year (net change in the other regulatory asset and liability accounts). The Company's annual earnings report will include the amount, if any, of deferred under-collection of SIR Costs written down with the Company's and the customers' respective shares of earnings above the earnings sharing thresholds. If applicable, the Company's annual earnings report will identify any other deferred costs

[22] Under-collection of SIR costs is defined as the change in the net balance between the SIR regulatory asset account (excluding amortizations) and the SIR liability account.

reduced by application of shared earnings and the amount of shared earnings used for that purpose.

D. <u>Capital Expenditures and Net Plant Reconciliation</u>

1. <u>Electric</u>

a. Net Plant Reconciliation

The electric revenue requirements for RY1, RY2 and RY3 reflect the average net electric plant balances set forth in Appendix 7. The average net electric plant balances include transmission and distribution ("T&D"), Municipal Infrastructure Support, Distributed System Implementation Plan ("DSIP"),[23] Electric Production and Shared Services allocable to Electric (collectively, "Average Electric Plant In Service Balances"). These balances do not reflect net plant balances for AMI or Customer Service System ("CSS"), which are addressed in sections D.3 and 4.

The Average Electric Plant In Service Balances reflect a level of capital expenditures supported by various capital programs and projects. The Company, however, has the flexibility over the term of the Electric Rate Plan to modify the list, priority, nature and scope of its capital programs and projects.

The Company will defer for the benefit of customers the revenue requirement impact (*i.e.*, carrying costs, including depreciation, as identified in Appendix 7) of the amount by which the Company's actual expenditures for electric capital programs and projects result in actual average net plant (excluding removal costs) that is less than the amount included in the Average Electric Plant In Service Balances (excluding removal

[23] Planned DSIP capital costs are shown in Appendix 12.

costs), as set forth in Appendix 7, for RY1, RY2 and RY3.[24] If the Company spends in excess of $780 million to commence operation of certain Commission approved transmission projects,[25] the Company would not be permitted to defer carrying charges on the amount of net plant that exceeds the aggregate net plant target due to excess project spending; provided, however, that the Company is not precluded from seeking recovery of incremental costs above $780 million if the Company demonstrates such costs were prudently incurred and outside of its control. Should the Company seek recovery of such incremental costs, the Signatory Parties reserve the right to oppose any filing made under this section, and any filing by the Company under this section should not be construed as the Signatory Parties supporting any such application.

The Company may defer on its books of account for future recovery from customers the carrying charges (including depreciation) on average net plant in service (excluding removal costs) resulting from municipal infrastructure support-related capital costs up to 20% above established capital expenditure targets incurred due to the East Side Coastal Resiliency Project, to the extent the Company's capital expenditures related to that Project result in total actual average net plant in service (excluding removal costs) exceeding the Average Electric Plant In Service Balance in any or all Rate Years.

The reconciliations to Average Electric Plant In Service Balances for RY1, RY2 and RY3 will be cumulative; that is, a revenue requirement impact deferral will be

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[24] The revenue requirement impact will be calculated by applying an annual carrying charge factor (see Appendix 7) to the amount by which the actual net plant was below the amount included in the Average Electric Plant In Service Balances.

[25]Case 19-E-0065 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service, *Order Regarding Transmission Investment Petition* (issued April 15, 2021).

required under this provision only if the cumulative revenue requirement impact of the Company's actual average net plant for the 36-month period covered by the Electric Rate Plan is below the amount included in the Average Electric Plant In Service Balances over such period as shown on Appendix 7.

b. Infrastructure Investment and Jobs Act Funding

If the Company receives funding under the Infrastructure Investment and Jobs Act, customers will receive the revenue requirement impact of the decrease in program or projects costs. Specifically, the Company will sur-credit the carrying charge associated with any federal funding received. The sur-credit will begin when the underlying project goes in-service.

c. Reporting Requirements

The Company will provide reports relating to capital expenditures in the manner set forth in Appendix 12.

d. Non-Wires Alternative ("NWA")[26] Adjustment Mechanism

The costs incurred by the Company for implementation of new NWAs (ones that are not included in base rates) during the Electric Rate Plan, including the overall pre-tax rate of return on such costs, will be recovered over ten (10) years. Recovery of these NWA costs during this Electric Rate Plan will be through the MAC and NYPA OTH Statement. The Company shall incorporate unamortized NWA costs, including the return, into the Company's base rates when electric base delivery rates are reset.

To the extent such new NWAs result in the Company displacing a capital project reflected in the Average Electric Plant In Service Balances, the balance(s) will be reduced

[26] NWAs are also referred to as Non-Wires Solutions or NWS.

to exclude the forecasted net plant associated with the displaced project. The carrying charge on the reduction of the Average Electric Plant In Service Balances that would otherwise be deferred for customer benefit will instead be applied as a credit against the recovery of the NWA in the MAC and the NYPA OTH Statement. In the event the carrying charge on the net plant of any displaced project is higher than the NWA recovery, the difference will be deferred for the benefit of customers.

In the event an NWA portfolio is not viable, the Company, subject to Staff's review, will treat prudently-incurred spending associated with the project up to the Company's determination of non-viability as a regulatory asset.

The Company will earn incentives for NWA implementation on the same terms and conditions as established by the Commission for incentives under the TDM program.[27] Any earned incentives will be recovered through the MAC and NYPA OTH Statement.

Consistent with the Commission's TDM Order,[28] the Company will submit an implementation plan for all NWAs that includes at a minimum, detailed measurement and verification procedures, the portfolio of projects to be completed, a demonstration of whether the costs of NWA program expenditures are incremental to the Company's revenue requirement or will be displacing a project subject to the Net Plant Reconciliation mechanism, and a customer and community outreach plan. The Company

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[27] *See* Case 15-E-0229, Targeted Demand Management Program, *Order Approving Shareholder Incentives* (issued January 25, 2017).

[28] Case 15-E-0229, Targeted Demand Management Program, Order Implementing with Modification the Targeted Demand Management Program, Cost Recovery, and Incentives (issued Dec. 17, 2015) ("TDM Order").

will file updates with the Secretary under Case 22-E-0064 to each implementation plan annually by January 31st, or more frequently as necessary. The Company will also submit reports describing the expenditures and program activities, including all relevant details with respect to project costs, project in-service dates, incremental costs incurred, operational savings, and other benefits:

- Quarterly for active NWAs (e.g., NWAs that are being actively implemented with cost-effective portfolios with at least one contract with a third party provider(s) already negotiated) and
- Every six (6) months for NWA projects that are prior to development of a cost-effective portfolio or any negotiated contract with a third party provider.

As the Company develops an NWA solution portfolio for a new NWA and has reasonable certainty regarding the costs for this new NWA, a Benefit Cost Analysis ("BCA") will be performed in consultation with Staff in accordance with the BCA Handbook and the Commission's BCA Order.[29] The Company will also develop a final BCA using actual NWA costs and quantities after the completion of the NWA. After the Company has consulted with Staff, and prior to signing contracts for NWAs, the Company will file a letter in Case 22-E-0064 explaining that the Company has discussed the project with Staff and that the project is expected to have a BCA score above one (1).

2. <u>Gas</u>

a. Net Plant Reconciliation

The gas revenue requirements for RY1, RY2 and RY3 reflect the average net gas plant balances set forth in Appendix 8. The average net plant balances include

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[29] Case 14-M-0101, Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision, *Order Establishing Benefit Cost Analysis Framework* (issued January 21, 2016).

Transmission and Delivery, Municipal Infrastructure Support and Shared Services allocable to gas (collectively, "Average Gas Plant In Service Balances"). These balances do not reflect net plant balances for AMI or CSS, which are addressed in sections D.3 and D.4.

The Average Gas Plant In Service Balances reflect a level of capital expenditures supported by various capital programs and projects. The Company, however, has the flexibility over the term of the Gas Rate Plan to modify the list, priority, nature and scope of its gas capital programs and projects.

The Company will defer for the benefit of customers, the revenue requirement impact (*i.e.*, carrying costs, including depreciation, as identified in Appendix 8) of the amount by which the Company's actual expenditures for gas capital programs and projects result in average net plant (excluding removal costs) that is less than the amount included in the Average Gas Plant In Service Balances (excluding removal costs), as set forth in Appendix 8, for RY1, RY2 and RY3.[30]

The Company may defer on its books of account for future recovery from customers the carrying charges (including depreciation) on average net plant in service (excluding removal costs) resulting from municipal infrastructure support-related capital costs up to $10 million annually incurred due to: (a) change in customary practice relating to interference (*e.g.*, municipal paving practices); and/or (b) all other public works or municipal infrastructure projects with a projected total cost in excess of $100

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[30] The revenue requirement impact will be calculated by applying an annual carrying charge factor (see Appendix 8) to the amount by which actual net plant was below the amount included in the Average Gas Plant In Service Balances.

million, to the extent the Company's capital expenditures up to $10 million related to those activities result in total actual average net plant in service (excluding removal costs) exceeding the Average Gas Plant In Service Balance in any or all Rate Years.

Incremental capital costs to comply with the Pipeline Safety Act of 2011 and the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2019 will not be included in Average Gas Plant In Service Balances (see also Sections E.26).[31]

The reconciliations to Average Gas Plant In Service Balances for RY1, RY2 and RY3 will be cumulative; that is, a revenue requirement impact deferral will be required under this provision only if the cumulative revenue requirement impact of the Company's actual average net plant for the 36-month period covered by the Gas Rate Plan is below the amount included in the Average Gas Plant In Service Balances over such period as shown on Appendix 8.

b. Reporting Requirements

The Company will provide reports relating to capital expenditures in the manner set forth in Appendix 12.

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[31] Carrying charges (including depreciation) associated with incremental capital to comply with the Pipeline Safety Act of 2011 and the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2019 incurred during the Gas Rate Plan will be deferred for future recovery from customers.

c. NPA Adjustment Mechanism[32]

This NPA Adjustment Mechanism will apply to new NPA projects to the extent that meaningful implementation[33] of such project(s) has already begun prior to the date of a Commission Order that establishes an NPA Framework in the Gas Planning Proceeding (Case 20-G-0131) or other related proceeding. NPA projects that have not reached the "meaningful implementation" milestone prior to the date of a Commission Order that establishes an NPA Framework shall be subject to the requirements established therein.

The costs incurred by the Company for implementation of new NPAs (*i.e.*, those that are not included in base rates) during the Gas Rate Plan, including the overall pre-tax rate of return on such costs, will be recovered as a regulatory asset over twenty (20) years. Recovery of these NPA costs during this Gas Rate Plan will be through the MRA. The Company shall file to incorporate unamortized NPA costs, including the return, into the Company's base rates when gas base delivery rates are reset.

To the extent such new NPAs result in the Company displacing a capital project reflected in the Average Gas Plant In Service Balances, the balance(s) will be reduced to exclude the forecasted net plant associated with the displaced project. The carrying charge on the reduction of the Average Gas Plant In Service Balances that would otherwise be deferred for customer benefit will instead be applied as a credit against the

[32] The Company shall file a separate petition for Commission consideration of NPA projects which are not cost-effective, but which may be reasonable to implement for other reasons.

[33] "Meaningful implementation" means that the Company has consulted with Staff and filed a BCA with the Secretary to the Commission detailing the measures to be implemented, costs to achieve deferral or elimination forecast with reasonable certainty, and calculation of the Initial Incentive per the incentive mechanism approved, consistent with the June 16, 2022 Order Approving Non-Pipes Alternative Projects Amortization Period and Shareholder Incentive Mechanism for Specified Projects in Case 19-G-0066 ("June 2022 NPA Order").

recovery of the NPA in the MRA. In the event the carrying charge on the net plant of any displaced project is higher than the NPA recovery, the difference will be deferred for the benefit of customers.

In the event an NPA portfolio is not viable, the Company, subject to Staff's review, will treat prudently-incurred spending associated with the project up to the Company's determination of non-viability as a regulatory asset.

Consistent with the shareholder incentive mechanism approved in the June 2022 NPA Order, an incentive of 30% of initial net benefits as determined by a societal cost test (SCT) will apply to NPAs. Any earned incentives will be recovered through the MRA, however, the Company shall not begin collecting such incentives until at least 70 percent of the load relief required is in place.

3. AMI

a. Net Plant Reconciliation

The AMI Order[34] authorized the Company to implement its AMI Business Plan subject to a $1.285 billion cap on capital expenditures.[35] Net plant reconciliation for AMI capital expenditures will be implemented for a single category of AMI capital expenditures that includes amounts allocated to both electric and gas customers and will continue until December 31 of the year AMI implementation is complete (currently expected to be 2023). The electric and gas revenue requirements reflect the Average

[34] Cases15-E-0050, 13-E-0030, 13-G-0031, Con Edison Rates, *Order Approving Advanced Metering Infrastructure Business Plan Subject to Conditions* (issued March 17, 2016).

[35] Nothing in these Rate Plans is intended to affect in any manner the Company's rights under the AMI Order to petition the Commission in the event that AMI capital expenditures exceed $1.285 billion.

AMI Plant In Service Balances (excluding removal costs) set forth in Appendix 9 for the Company's installation of AMI during RY1.

After the project is implemented, Company will defer for the benefit of customers or the Company (subject to the cap described in this section), the revenue requirement impact (*i.e.*, carrying costs, including depreciation, as identified in Appendix 9) of the amount by which the Company's actual capital expenditures for AMI results in average net plant (excluding removal costs) that is different from the amount included in the Average AMI Plant In Service Balances (excluding removal costs), as set forth in Appendix 9, for RY1.

b. Reporting Requirements

The Company will include capital expenditures for AMI in the annual reports for electric and gas capital expenditures as set forth in Appendix 12.

4. <u>New Customer Service System ("CSS")</u>

a. Net Plant Reconciliation

The Company's implementation of CSS is subject to a $421 million cap on capital expenditures.[36] Net plant reconciliation for CSS capital expenditures will include amounts allocated to both electric and gas and will continue until December 31 of the year CSS is placed in-service (currently expected to be 2023).

After the project commences operation, the Company will defer for the benefit of customers or the Company (subject to the cap described in this section), the revenue

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[36] If the Company exceeds the CSS cost cap, it may petition for additional cost recovery. Should the Company seek additional recovery of such capital expenditures, the Signatory Parties reserve the right to oppose any filing made under this section, and any filing by the Company under this section should not be construed as the Signatory Parties supporting any such application.

requirement impact (*i.e.*, carrying costs, including depreciation, as identified in Appendix 10) of the amount by which the Company's actual capital expenditures for CSS results in average net plant (excluding removal costs) that is different from the amount included in the Average CSS Plant In Service Balances (excluding removal costs), as set forth in Appendix 10, for RY1.

b. Reporting Requirements

The Company will include capital expenditures for CSS in the annual reports for electric and gas capital expenditures as set forth in Appendix 12.[37]

5. <u>Additional Common Capital Reporting</u>

The Company will include common capital expenditures in the annual reports for capital expenditures as set forth in Appendix 12.

E. <u>Other Deferral Accounting and Reconciliation Mechanisms</u>

The Company will defer/reconcile costs and related items as detailed in this section. Reconciliations will be to the levels provided in rates, as set forth in Appendices 7 and 8. Variations subject to recovery from or to be credited to customers will be deferred on the Company's books of account over the term of the Rate Plans, and the revenue requirement effects of such deferred debits and credits, as the case may be, will be addressed in future rate proceedings, except as addressed in section C.3 of the Joint Proposal.

[37] Additional CSS reporting requirements are discussed in Section M.1.

1. <u>Property Taxes (Electric and Gas)</u>

If the level of actual electric or gas expense for property taxes, excluding the effect of property tax refunds (as defined in section F.4), varies in any Rate Year from the projected level provided in rates for that service, which levels are set forth in Appendices 7 and 8, ninety (90) percent of the variation will be recovered from or credited to customers via surcharge/sur-credit, subject to the following exposure cap: the Company's ten (10) percent share of property tax expenses above or below the level in rates is capped at an annual amount equal to ten (10) basis points on common equity in Rate Year 1, five (5) basis points on common equity in Rate Year 2, and five (5) basis points on common equity in Rate Year 3.[38] Annually, the Company will recover from or credit to customers one hundred (100) percent of the variation above or below the level at which the exposure cap takes effect.

Prior to implementing the surcharge/sur-credit, and by March 31 of each year, the Company will provide Staff for its review and verification the surcharge/sur-credit amounts and supporting workpapers/documentation. The Company may begin to implement recoveries/credits 90 days after notification to Staff. Subsequent to Staff's review, if any adjustments and/or corrections need to be made to the surcharge/sur-credit amounts and the surcharge/sur-credit has already been implemented, such adjustments and/or corrections will be implemented as soon as practicable.

Surcharge recoveries from this reconciliation will be subject to separate annual caps for electric and gas that produce no more than a half percent (0.5%) total bill impact

[38] For electric, such amounts are estimated to be $17.535 million in RY1, $9.383 million in RY2 and $9.866 million in RY3. For gas, such amounts are estimated to be $6.453 million in RY1, $3.487 million in RY2 and $3.700 million in RY3.

per commodity.[39] Any amounts in excess of the annual surcharge cap in a specific year will be rolled forward for recovery and will count towards the following year's surcharge cap.

The Company will not be precluded from petitioning for a greater share of lower than forecasted property tax expenses (including the period beyond RY3) if it believes its extraordinary efforts result in fundamental taxation changes and produce substantial net benefits to customers.

2. <u>Pensions/OPEBs (Electric and Gas)</u>

Pursuant to the Commission's Pension/OPEB Policy Statement,[40] the Company will reconcile its actual pensions/Other Post-Employment Benefits ("OPEBs") expenses to the level allowed in electric and gas rates as set forth in Appendices 7 and 8.

The Pension/OPEB Policy Statement provides that companies may seek prospective interest accruals or rate base treatment for amounts funded above the cost recoveries included in rates.[41] During the term of the Rate Plans, the Company may be required to fund its pension plan at a level above the rate allowance pursuant to the annual minimum pension funding requirements contained within the Pension Protection Act of 2006. The Company, its actuary and the parties are unable to predict with

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[39] A half percent total bill impact is currently equivalent to $57.3 million, $60.3 million, $62.6 million for Rate Years 1, 2, and 3, respectively for the electric operations and $14.8 million, $15.9 million, $16.8 million, for Rate Years 1, 2, and 3, respectively for the gas operations.

[40] Case 91-M-0890, In the Matter of the Development of a Statement of Policy Concerning the Accounting and Ratemaking Treatment for Pensions and Post-Retirement Benefits Other Than Pensions, *Statement of Policy and Order Concerning the Accounting and Ratemaking Treatment for Pensions and Post-Retirement Benefits Other Than Pensions* (issued September 7, 1993) ("Pension/OPEB Policy Statement").

[41] *See* Pension/OPEB Policy Statement, Appendix A, page 16, footnote 3.

certainty if the minimum funding threshold will exceed rate recoveries during the term of the Rate Plans. In lieu of a provision in this Proposal addressing the Company's additional financing requirements should it be required to fund its pension plan above the level provided in rates during the term of these Rate Plans, the Proposal does not preclude the Company from petitioning the Commission to defer the financing costs associated with funding the pension plan at levels above the current rate allowance should funding above the rate allowance be required; the Company's right to obtain authority to defer such financing costs on its books of account will not be subject to requirements respecting materiality.

3. Environmental Remediation (Electric and Gas)

Actual expenditures for site investigation and remediation allocated to Con Edison's electric and/or gas businesses,[42] including expenditures associated with former manufactured gas plant sites ("MGP"), Superfund and 1994 DEC Consent Order Appendix B sites (also referred to as SIR Costs), will be deferred on the Company's books of account and amortized as shown on Appendix 3. The deferred balances subject to interest will be reduced by accruals, insurance recoveries, associated reserves, deferred taxes and amounts included in rate base (see Appendices 1 and 2). The amortization period for SIR Costs will continue to be five (5) years.

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[42] These costs are the costs Con Edison incurs to investigate, remediate or pay damages (including natural resource damages, with respect to industrial and hazardous waste or contamination spills, discharges, and emissions) for which Con Edison is deemed responsible. These costs are net of insurance reimbursements (if any); nothing herein will require the Company to initiate or pursue litigation for purposes of obtaining insurance reimbursement, nor preclude or limit the Commission's authority to review the reasonableness of the Company's conduct in such matters.

4. **<u>Non-Officer Management Variable Pay (Electric and Gas)</u>**

The electric and gas revenue requirements reflect expense for the Company's Non-Officer Management Variable Pay Program. The Company will defer for future credit to customers the amount by which the actual expense, by service, in any Rate Year is less than the amount shown on Appendices 7 and 8 for that service for that Rate Year.

When the Company undertakes a comparative study of its compensation/benefits to support the next rate case, the Company will conduct the study so as to achieve at least 50 percent matching of positions, or more, to the extent practicable, in a blended peer group of utilities and New York Metropolitan employers and will describe the process by which the Company matches its positions to the positions of the peer group employers, including an explanation for the exclusion of any Company positions from the analysis in the comparative study.

5. **<u>Adjustments for Competitive Services (Electric and Gas)</u>**

The Company will continue to reconcile competitive service charges in accordance with its tariff provisions. Competitive service charges consist of the supply-related and credit and collections-related components of the MFC, the credit and collections component of the POR discount rate and the Billing and Payment Processing Charge.

6. **<u>Municipal Infrastructure Support (Other Than Company Labor) (Electric and Gas)</u>**

If actual non-Company labor Municipal Infrastructure Support expenses (*e.g.*, contractor costs) vary from the level provided in electric and/or gas rates for any Rate Year, which levels are set forth in Appendices 7 and 8, one hundred (100) percent of the variation below the target will be deferred on the Company's books of account and credited to customers, and eighty (80) percent of the variation above the target within a band of fifteen (15) percent[43] will be deferred on the Company's books of account and recovered from customers. Expenditures above the target plus fifteen (15) percent are not recoverable from customers except as follows: if actual electric and/or gas non-Company labor Municipal Infrastructure Support expenses (*e.g.*, contractors costs) vary from the respective level provided in rates above the target plus fifteen (15) percent, and such increased expenses are due to any public works or municipal infrastructure project with a projected total cost in excess of $100 million, eighty (80) percent of the variation above the target plus fifteen (15) percent, will be deferred on the Company's books of account for future recovery from electric and/or gas customers as applicable.

7. <u>Long Term Debt Cost Rate (Electric and Gas)</u>

The weighted average cost of long-term debt during the term of the Rate Plans is set forth in Appendices 1 and 2 for each RY1, RY2 and RY3. As set forth in Appendices 7 and 8, included in those weighted average cost rates is a Variable Rate Debt (*i.e.*, the Company's entire portfolio of floating-rate debt, including tax-exempt and taxable debt). The Company will be allowed to true-up its actual weighted average cost of Variable Rate Debt during RY1, RY2 and RY3 to the cost rates for Variable Rate Debt reflected in Appendices 7 and 8. In the event the Variable Rate Debt[44] is refinanced with tax-exempt or taxable debt (which may include retiring the Variable Rate Debt) prior to January 1, 2026 (including under circumstances not contemplated by the Commission's *Order*

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[43] E.g., for RY1 the maximum electric deferral is calculated as $136.315 million x 80 percent x 15 percent = $16.358 million.

[44] The cost of Variable Rate Debt includes the costs of any credit support measures, such as letter of credit or bond insurance.

Authorizing Issuance of Securities, issued November 19, 2021 in Case 21-M-0403, and therefore requiring Commission authorization), the Company will include its costs associated with the refinancing of the Variable Rate Debt in the amounts to be reconciled.

8. Energy Efficiency ("EE") (Electric and Gas)

The Company's base rates reflect program costs to be incurred during the rate period as regulatory assets, amortized over fifteen years. The Company has a single, cumulative Energy Efficiency reconciliation target that encompasses three programs (Low Moderate Income EE program, Non-Low Moderate Income EE Program, and Heat Pump (Clean Heat) program), as set forth in Appendices 7 and 8. The reconciliation is subject to an overall EE program cap and the Company has the ability to transfer costs across programs and commodities in accordance with the Commission's Order Authorizing Utility Energy Efficiency and Building Electrification Portfolios Through 2025 ("NENY Order") as it may be amended or in any other order addressing this funding.[45]

The Company will reconcile the revenue requirement effect of the actual level of costs incurred for the EE Program to the three-year cumulative (combined electric and gas) reconciliation targets and defer any cumulative over-collection over the term of the Rate Plans for future credit to customers.

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[45] Case 18-M-0084, In the Matter of a Comprehensive Energy Efficiency Initiative, *Order Authorizing Utility Energy Efficiency and Building Electrification Portfolios Through 2025* (issued January 16, 2020).

9. Prospective Sales and Use Tax Refunds/Assessments (Electric and Gas)

Sales and Use Tax refunds and/or assessments allocated to electric and/or gas that are not reflected in the respective Rate Plans will be deferred for future disposition or collection. The Company agrees to defer Sales and Use Tax refunds and/or assessments allocated to steam until the Company's next steam base rate case. Additionally, the Company is not relieved of the requirements of 16 NYCRR §89.3 with respect to any refunds it receives.[46]

10. Congestion Tolling Program (Electric and Gas)

The Company's electric and gas revenue requirements do not reflect incremental congestion charges under the NY State Congestion Tolling Program. To the extent that the Company incurs such incremental congestion charges during the term of the Rate Plans, the Company will defer these costs on its books of account for future recovery from customers.

11. COVID Uncollectible and LPC Reconciliations (Electric and Gas)

a. Uncollectible Expense

The Company's electric and gas revenue requirements include forecasted uncollectible expenses. The Company will defer the difference between its actual uncollectible expense with the level in rates each year, as set forth in Appendices 7 and 8.[47] The deferral amount will be excluded from rate base and accrue interest at the Other

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[46] Refunds resulting from triennial true-ups (as opposed to those resulting from litigation or the New York State Department of Taxation and Finance's conciliation process) are "ordinary operating refunds" that are not reportable under 16 NYCRR §89.3.

[47] The Company is deferring the change in its uncollectible expense reserve pursuant to the rate plans authorized in Cases 19-E-0065 and 19-G-0066. These deferrals will be included in cumulative reconciliation of actual write-offs in this provision.

Customer Provided Capital Rate. The deferral amount will be fully reconciled with the cumulative actual write-offs for the period January 1, 2020 through December 31, 2025. Recovery from, or refund to, customers of the variance will be via surcharge/sur-credit, as detailed below.

b. Late Payment Charges

The Company's electric and gas revenue requirements included forecasted late payment fees. The Company will defer the difference between its actual late payment fees with the level in rates each year, as set forth in Appendices 7 and 8. Recovery from, or refund to, customers of the variance will be via surcharge/sur-credit, as detailed below.[48]

c. Annual Surcharge/Sur-Credit

Prior to implementing the surcharge/sur-credit, and by March 31 of each year, the Company will provide Staff the surcharge/sur-credit amounts and supporting workpapers/documentation. The Company may begin to implement recoveries/credits 90 days after notification to Staff. Subsequent to Staff's review, if any adjustments and/or corrections need to be made to the surcharge/sur-credit amounts and the surcharge/sur-credit has already been implemented, such adjustments and/or corrections will be implemented as soon as practicable.

Surcharge recoveries from the COVID Uncollectible Reconciliation and the Late Payment Fee Reconciliation will, collectively, be subject to separate annual caps for

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[48] In the Commission's November 18, 2021 "*Order Authorizing Alternative Recovery for Unbilled Fees"* in Cases 19-E-0065, *et al*., the Company was directed to recover or pass back its 2022 approved late payment and other fee deferrals in 2024. The pass back of 2022 fee deferrals has instead been included as an offset to the RY1 and RY2 revenue requirements in this Proposal.

electric and gas that produce no more than a half percent (0.5%) total bill impact per commodity.[49] Any amounts in excess of the annual surcharge cap in a specific year may be rolled forward for recovery and will count towards the following year's surcharge cap.

At the end of 2025, the Company will perform a final reconciliation between the difference between its actual uncollectible expense/late payment fees and the levels set forth in rates. Any variance would be recovered or refunded via a surcharge/sur-credit, subject to the annual surcharge cap. Any residual amounts above the annual surcharge cap will be deferred for future disposition by the Commission.

12. <u>CSS O&M (Electric and Gas)</u>

The Company's electric and gas revenue requirements include forecasted O&M amounts for CSS, as set forth in Appendices 7 and 8. The Company will reconcile the annual actual level of O&M costs incurred for CSS to the annual (combined electric and gas) targets and defer any over-collection. The reconciliation will continue until December 31 of the year CSS is placed in-service. Any deferral amounts at the end of the reconciliation period will be credited to customers in the next base rate proceeding or as otherwise authorized by the Commission.

13. <u>Major Storm Cost Reserve (Electric)</u>

a. Major Storm Reserve

The Company's annual electric revenue requirements provide funding for the major storm reserve of an annual amount of $50.605 million in RY1, $51.820 million in

[49] *See supra* n.39.

RY2, and $52.908 million in RY3.[50] To the extent that the Company incurs incremental major storm damage costs in excess of the amounts collected during the Electric Rate Plan plus any residual deferral balance, the Company will defer on its books of account expenses in excess of the balance of the major storm reserve for future recovery from customers. To the extent that the Company incurs major storm damage expenses less than the amounts collected during the Electric Rate Plan plus any residual deferral balance, the Company will defer any variation for the benefit of customers. All major storm expenses are subject to Staff review.

b. Costs Chargeable to the Major Storm Reserve

Except as provided herein, the Company will continue its current accounting practices respecting the identification of incremental non-capital major storm costs that are charged to the major storm reserve. These current practices do not include charging stores handling, engineering, and other overheads costs to the major storm reserve.

<u>Pre-Staging and Mobilization Costs</u>

The Company will be allowed to charge to the major storm reserve for costs incurred to obtain the assistance of contractors and/or utility companies providing mutual assistance, incremental employee labor, transportation, meals, lodging, and travel time

[50] A "major storm" is defined in 16 NYCRR Part 97 as a period of adverse weather during which service interruptions affect at least ten (10) percent of the Company's customers within an operating area and/or results in customers being without electric service for durations of at least twenty-four (24) hours. This definition of major storm will be applied to weather events affecting the Company's overhead system. For the Company's underground network system, major storms are defined as weather event(s) that result in at least 5,000 customer outages and 800 jobs as recorded in the Company's outage management system. This includes one storm event that satisfies these criteria and multiple storm events that are up to two days apart and, in aggregate, satisfy these criteria.

(collectively, "Pre-Staging and Mobilization Costs") it incurs in reasonable anticipation that a storm will affect its electric operations to the degree meeting the definition of a major storm in 16 NYCRR Part 97, but which ultimately does not do so.

The Company is subject to a $350,000 per event deductible for Pre-Staging and Mobilization Costs (i.e., up to $350,000 per event will not be chargeable to the major storm reserve). The Company will be allowed to charge to the major storm reserve Pre-Staging and Mobilization Costs between $350,000 and $4.5 million per event, unless the event meets the criteria for a Tropical Cyclone Event as defined below. For Pre-Staging and Mobilization Costs in excess of $4.5 million, per event, the Company will be allowed to charge 85% of such costs to the major storm reserve, and the Company will expense 15% of such costs in the year incurred. The Company may file a petition to defer the 15% of Pre-Staging and Mobilization Costs in excess of $4.5 million, per event. Each such petition will be subject to the three-part criteria test generally applied by the Commission to determine whether deferred accounting treatment is appropriate.[51] Should the Company file a petition, the Signatory Parties reserve the right to oppose such filing, and any filing by the Company under this section should not be construed as the Signatory Parties supporting any such petition.

Subject to the $350,000 deductible above, the Company will be allowed to charge all pre-staging and mobilization costs (i.e., the $4.5 million per event cap will not apply) for events that meet the definition for a Tropical Cyclone Event, i.e., an event that the

[51] *See*, *e.g*., Case 15-E-0464, Central Hudson Gas & Electric Corporation – Request for Deferral Accounting Treatment*, Order Approving Deferred Accounting Treatment for Incremental Storm Restoration Costs* (issued January 22, 2016).

Company prepares for where the Company's service territory appears in the National Hurricane Center's "5-day Probability of 50kt Winds" forecasting map.

Major Storm Costs

Except as provided herein, all incremental major storm costs will be charged to the major storm reserve. The Company will exclude from costs chargeable to the major storm reserve an amount equal to two (2) percent of the costs incurred (net of insurance and other recoveries) due to the occurrence of a major storm.[52]

The Company will be able to charge costs against the major storm reserve for a period up to thirty (30) days following the date on which the Company is able to serve all customers.

Following a major storm for which the Company forecasts a period of more than thirty (30) days following the date on which the Company is able to serve all customers to fully restore the system to normal operation, the Company may file a petition with the Commission that will include: (i) a plan for full system restoration, including restoration milestones ("system restoration plan") and (ii) a request for authorization to defer costs incurred in accordance with the system restoration plan beyond thirty (30) days following the date on which the Company is able to serve all customers (*i.e.*, the costs not automatically chargeable to the major storm reserve) for later recovery from customers. Recovery of costs incurred subsequent to that 30-day period following the date on which the Company is able to serve all customers will not be subject to the Commission's

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[52] The two (2) percent deductible does not apply to Pre-Staging and Mobilization Costs for major storms that do not materialize, as defined above.

materiality requirement for deferrals.[53] Upon completion of the work necessary to restore the system to normal operation, the Company may file with the Commission, in the proceeding established to consider the Company's deferral petition, an estimate of the total costs incurred to restore the system to normal operation, broken out between costs during the period that are chargeable to the major storm reserve and costs incurred during the period that are the subject of the deferral petition. Actual costs will be used except where costs are subject to final billings from vendors, contractors, and utility companies that provided mutual assistance. If the Company seeks recovery of costs incurred during a time period that exceeds the originally forecasted period of time to restore the system to normal operation (*e.g.*, the Company's system restoration plan contemplated a 60-day period and restoration took ninety (90) days), the Company will include with its cost filing a demonstration that such extension was in customers' interests (*e.g.*, more cost-effective) and/or was the result of extenuating circumstances (*e.g.*, circumstances not reasonably foreseeable when the system restoration plan was developed, including for example, an intervening storm or other event).

c. Annual Surcharge Recovery

If the Company's major storm costs chargeable to the reserve exceed the annual rate allowance of \$50.605 million in RY1, \$51.820 million in RY2, and \$52.908 million in RY3 by more than \$12.651 million in a rate year, the Company will recover through a surcharge mechanism for all costs up to \$32.5 million in excess of the annual rate allowance. Any amounts in excess of the \$32.5 million surcharge cap will not be rolled

[53] As noted in footnote 34.

forward to the next year and will not count towards the next threshold calculation. Costs chargeable to the reserve in excess of $32.5 million will remain a deferral for recovery from customers in the next electric base rate case.

14. <u>NWA (Electric)</u>

The Company's electric base rates reflect a regulatory asset amount for the Plymouth/Water Street, Newtown and Columbus NWAs as set forth in Appendix 7. The Company will defer annually the revenue requirement amount associated with project expenditures above or below the target levels reflected in base electric rates. Any deferred balance will be addressed in the Company's next base rate filing.

15. <u>Low Income Distributed Energy Resources (DER) Make Ready Program (Electric)</u>

The Company's electric revenue requirement does not include forecasted costs for a low income Distributed Energy Resources (DER) Make Ready Program. The revenue requirement impact of actual costs for the program that are incurred during the Electric Rate Plan will be recovered through a surcharge mechanism up to a cap of $22.95 million capital over RY1-RY3.

16. <u>East River Major Maintenance Cost Reserve (Electric)</u>

Any residual East River Repowering Project ("East River") deferred balances on the Company's books of account as of December 31, 2022 may be used for East River Major Maintenance work during the Electric Rate Plan. In addition, the Company's electric base rates reflect an annual amount for East River Major Maintenance Costs of $6.618 million for each of RY1, RY2 and RY3. To the extent that over the term of the Electric Rate Plan, the Company incurs cumulative East River Major Maintenance Costs more or less than the sum of the amounts provided in rates plus any residual deferred balance, the Company will defer any variation on its books of account for future recovery from or for credit to customers.

17. East River Interdepartmental Rent (Electric)

The level of the East River interdepartmental rent expense for electric customers in the Electric Rate Plan differs from the level set in steam rates. The Company will continue to defer the impact of the change in expense to steam until steam base rates are reset, whether positive or negative, to continue the "earnings neutral" nature of these revenues to the Company.

18. Other Transmission Revenues (Electric)

The Company's revenue requirements include annual revenue targets for Transmission Congestion Contracts ("TCC") of $75 million; Transmission Service Charges ("TSC") of $5 million; and grandfathered transmission wheeling contracts ("GTWC") of $7 million as shown on Appendix 7. Annual variations between the TCC, TSC and GTWC revenue targets and actual amounts will be passed back or recovered, as appropriate, through the MAC.

19. NEIL Dividends (Electric)

The Company's electric revenue requirements do not reflect any dividends the Company might receive from the Company's Nuclear Electric Insurance Limited ("NEIL") insurance policy. The Company will credit electric customers through the MAC with any such dividends received.

20. Brownfield Tax Credits (Electric)

The Company's electric revenue requirements do not reflect any New York State tax benefits from Brownfield environmental tax credits. The Company will defer on its books of account all Brownfield tax credits received for future credit to customers.

21. <u>Proceeds from the Sales of SO_2 Allowances (Electric)</u>

The Company's electric revenue requirements do not reflect any proceeds that might be received from the sale of SO_2 allowances. With the exception of any proceeds received from the sale SO_2 allowances pursuant to the EPA's final rule on interstate transport of fine particulate matter and ozone (the "Transport Rule"), any proceeds from the sale of SO_2 allowances will be deferred on the Company's books of account for future credit to customers. The allocation of such proceeds between steam and electric will continue to be computed according to the method established in the *Order Determining Revenue Requirement and Rate Design*, issued September 22, 2006, in Case 05-S-1376. Proceeds from the sale of Transport Rule SO_2 allowances and costs incurred to purchase emission allowances will be recovered/credited through the MAC.[54]

22. <u>BQDM Program and REV Demo Project Costs (Electric)</u>

The Company's electric base rates reflect amounts for the BQDM program and REV Demo projects, amortized over 10 years for spending in these programs as set forth in Appendix 7.[55] The Company will defer annually the revenue requirement associated with program expenditures above or below the target levels reflected in base electric

[54] *See* Case 14-E-0272, Tariff filing by Consolidated Edison Company of New York, Inc. to make revisions related to the purchase and sale of SO2 and NOx emissions allowances through the MAC/MSC mechanisms contained in P.S.C. No. 10 – Electricity, *Order Approving Tariff Provision*, (issued December 16, 2014).

[55] The Company's quarterly reports on REV demonstration projects in Case 14-M-0101 will include actual expenditures in the prior quarter and in the calendar year. The actual expenditures will be presented in aggregate for all REV demonstration projects and for each REV demonstration project.

rates, subject to the overall cap on expenditures established by the Commission for these programs.[56] Any deferred balance will be addressed in the Company's next rate filing.

23. Medium- and Heavy-Duty Make-Ready Pilot Program (Electric)

The Company's electric revenue requirement does not include forecasted costs for the Medium- and Heavy-Duty Make-Ready Pilot Program. Actual costs for the program incurred during the Electric Rate Plan will be recovered through a surcharge mechanism, consistent with the recovery of other future Make Ready Program costs.[57]

24. NY Facilities Agreement (Gas)

Forecasted costs and revenues under the Amended NY Facilities Agreement are reflected in the gas revenue requirements as set forth in Appendix 8. The Company will defer annually the revenue requirement associated with actual costs/revenues above or below those targets for surcharge or sur-credit to customers through the MRA.

25. Research and Development Expense (Gas)

Research and Development ("R&D") expenses reflected in the revenue requirements are set forth in Appendix 8. During the term of this rate plan and continuing until modified by the Commission, the Company will apply any unspent Gas R&D funds to new or increased R&D spending needs in the following year. After prior notification to Staff, Con Edison will apply any balance in excess of $100,000 not

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[56] Case 14-E-0302, Petition of Consolidated Edison Company of New York, Inc. for Approval of Brooklyn Queens Demand Management Program, *Order Establishing Brooklyn/Queens Demand Management Program* (issued Dec. 12, 2014); Case 14-M-0101, Reforming the Energy Vision, *Order Adopting Regulatory Policy Framework and Implementation Plan* (issued February 26, 2015).

[57] The July 16, 2020 Make-Ready Program Order in Case 18-E-0138 authorizes Con Edison to implement a Medium- and Heavy-Duty Make-Ready Pilot Program through 2025, and the July 14, 2022 order further clarifies cost recovery for the EV Make-Ready Program.

committed to existing projects or new R&D spending needs toward either enhanced decarbonization or enhanced safety programs. Examples of enhanced decarbonization and enhanced safety programs that this would apply include, testing/developing new ways to deploy advanced leak detection technologies; testing/developing emissions avoidance technologies; and developing advanced natural gas detectors. The Company will file with the Secretary under Case 22-G-0065 annual reports identifying any uncommitted balances in excess of $100,000 and describing the programs it plans to fund.

In the event the Company's actual R&D expenses for gas, excluding administrative costs, are less than the three-year cumulative target level in Appendix 8, the Company will defer on its books of account the amount of such under spending for future credit to customers.

The Company has the flexibility over the term of the Gas Rate Plan to modify the list, priority, nature and scope of the R&D projects to be undertaken.

26. <u>Pipeline Safety Acts (Gas)</u>

The Company's gas revenue requirements do not reflect O&M expenses to comply with new regulations associated with the Pipeline Safety Act of 2011 or the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2019. To the extent that the Company incurs any incremental O&M expenses to comply with the new regulations during the Gas Rate Plan, the Company will defer these O&M expenses on its books of account for future recovery from customers.

27. <u>White Plains Gate Station (Gas)</u>

The Company may recover up to $11 million through the Pipeline Facilities Adjustment component of the MRA for costs incurred after July 1, 2019 for the building of the White Plains Gate Station. To the extent the Company incurs amounts above that $11 million, the Company will defer that amount for recovery in the next gas base rate proceeding.

28. Safety and Reliability Surcharge Mechanism

The Company will continue its Safety and Reliability Surcharge Mechanism ("SRSM") as detailed in Appendix 13.

29. Additional Reconciliation/Deferral Provisions

In addition to the foregoing reconciliation provisions (*i.e.*, sections E.1 through E.28), along with all other provisions of this Proposal embodying the use of a reconciliation and/or deferral accounting mechanism, all other applicable existing reconciliations and/or deferral accounting will continue in effect through the term of these Rate Plans and thereafter until modified or discontinued by the Commission, except for those expressly identified in this Proposal for discontinuation. Continuing reconciliation and/or deferral accounting mechanisms include, but are not limited to, Financial Accounting Standards ("FAS") 109 taxes, Regional Greenhouse Gas Initiative ("RGGI") costs associated with Company-owned generation, SBC, Demand Side Management ("DSM") costs, MTA taxes, New York Public Service Law §18-a regulatory assessment, the Supply and Supply-related Charges and Adjustments and the MAC, and MRA/GCF mechanisms, as well as the cost of the Low Income customer charge discount (discussed below) as they may be applicable to electric and/or gas operations.

30. <u>Discontinued Deferrals/Reconciliations</u>

a. Sales and Use Tax Refunds 2019 (Electric and Gas)

The Company will terminate its Sales and Use Tax Refunds 2019 reconciliation as the 2019 refunds have been reconciled.

b. Taxes of Health Insurance (Electric and Gas)

The Company will terminate its excise tax reconciliation as this portion of the Affordable Care Act was repealed in 2019.

c. NYC Local Law 97 (Electric and Gas)

The Company will terminate the deferral for incremental costs to bring the Company's buildings into compliance with Local Law 97. The Company has had an opportunity to assess the work necessary to comply with the law and is able to reflect such costs within its forecasts going forward.

d. Smart Charge Electric Vehicles (Electric)

The Company will terminate the reconciliation associated with its Smart Charge EV Program as no costs are reflected in the rate plan and cost recovery for this program will be determined in Case 18-E-0138.

e. Gas Service Lines (Gas)

The Company will terminate the reconciliation associated with its Gas Service Line program as such costs have been included in base rates.

F. <u>Additional Accounting Provisions</u>

1. <u>Productivity</u>

The electric and gas revenue requirements include a one (1) percent labor-productivity adjustment from the end of the Historic Test Year through RY1 and a 1.5% percent labor-productivity adjustment for RY2 and RY3.

2. <u>Depreciation Rates and Reserves</u>

a. Depreciation Rates

The average services lives, net salvage factors and life tables used in calculating the depreciation reserve and establishing the revenue requirements for electric and gas service are set forth in Appendix 14.

The average service lives, net salvage factors, life tables and resulting depreciation rates have been agreed to for the purposes of this Proposal, but such agreement does not necessarily imply endorsement of any specific methodology by any Signatory Party.

b. Reserve Deficiency

In addition to the depreciation expense produced by the application of the rates summarized in Appendix 14, an additional amount of depreciation expense will be realized, beginning in RY1, in connection with the recovery of a portion of the electric and gas depreciation reserve deficiency. The recovery will equal $66.8 million annually for electric and $11.3 million annually for gas and reflects the reserve deficiency identified in excess of the ten (10) percent tolerance band amortized over 20 years. The Company will also continue the electric amortization established in the prior rate plan of $3.8 million for the Hudson Avenue Station.

3. <u>Interest on Deferred Costs</u>

The Company is required to record on its books of account various credits and debits that are to be charged or refunded to customers. Unless otherwise specified in this Proposal or by Commission order, the Company will accrue interest on these book amounts, net of federal and state income taxes, at the Other Customer-Provided Capital Rate published by the Commission annually. FAS 109 and MTA tax deferrals are either offset by other balance sheet items or reflected in the Company's rate base and will not be subject to interest.

4. Prospective Property Tax Refunds and Credits

Property tax refunds allocated to electric and/or gas that are not reflected in the respective Rate Plans and that result from the Company's efforts, including credits against tax payments or similar forms of tax reductions (intended to return or offset past overcharges or payments determined to have been in excess of the property tax liability appropriate for Con Edison), will be deferred for future disposition, except for an amount equal to fourteen (14) percent of the net refund or credit, which will be retained by the Company. Incremental expenses incurred by the Company to achieve the property tax refunds or credits will be offset against the refund or credit before any allocation of the proceeds is calculated.[58] The deferral and retention of property tax refunds and credits will be subject to an annual showing in a report to the Secretary by the Company of its ongoing efforts to reduce its property tax burden, in March of each Rate Year. Additionally, the Company is not relieved of the requirements of 16 NYCRR §89.3 with respect to any refunds it receives.

5. Income Taxes and Cost of Removal Audit

On January 11, 2018, the Commission issued an order commencing a focused operations audit to investigate the income tax accounting of Con Edison and other New

[58] These shall not reflect the incremental expenses incurred by the Company resulting solely in the reduction of future assessments.

York State utilities in Case 18-M-0013 ("COR Audit").[59] Specifically, the COR Audit focuses on determining whether an error in income tax accounting occurred with respect to cost of removal ("COR") as alleged and whether Con Edison ratepayers received the benefit of lower income tax expenses in rates as a result of the claimed errors. The COR Audit is being performed by an independent auditor selected by the Commission on April 23, 2018.[60] The Signatory Parties reserve all of their administrative and judicial rights to take and pursue their respective positions with respect to all issues, rulings and decisions in Case 18-M-0013.

6. Allocation of Common Expenses/Plant

During the term of the Rate Plans, common expenses and common plant will be allocated according to the percentages reflected in the electric and/or gas revenue requirement calculations, as shown in Appendix 15. Should the Commission approve different common allocation percentages for electric, gas and/or steam service prior to the next base rate cases for the electric, gas and/or steam businesses, the resulting annual revenue requirement impacts will be deferred for future recovery from or credit to customers. In addition, the Company shall conduct a study regarding the allocation of common expenses and common plant between the electric, gas, and steam business. The results of such study shall be used to determine whether any of the common allocation factors contained in Appendix 15 need to be revised in the Company's next electric or

[59] Case 18-M-0013, In the Matter of a Focused Operations Audit to Investigate the Income Tax Accounting of Certain New York State Utilities, *Order Approving and Issuing the Request for Proposals Seeking a Third-Party Consultant to Perform Audits to Investigate the Income Tax Accounting of Certain New York State Utilitie*s (issued January 11, 2018).

[60] Case 18-M-0013, Supra, Order Directing Utilities to Enter into Contract with Selected Independent Auditor (issued April 23, 2018).

gas base rate proceeding. The Company will provide Staff a copy of the study at least 30 days in advance of the Company's next electric or gas base rate filing.

7. **Allocation of Intercompany Shared Services Expense**

Common expenses incurred by Consolidated Edison, Inc. ("CEI"), which are not directly charged services, are allocated under a three-factor formula to its subsidiaries. During the Rate Plans, the Company will allocate expenses for these intercompany shared services for each Rate Year under a three-factor allocation using forecasted operating revenue, segment payroll, and assets for each CEI subsidiary. If a CEI subsidiary has equity method investments, the revenue factor for that subsidiary will include a proportionate share of its equity method investments' revenues.

G. **Electric Revenue Allocation/Rate Design and Tariff Changes**

1. **Revenue Allocation**

The allocation of the delivery revenue change for each Rate Year is explained in Appendix 16. In its next electric base rate filing, the Company will make reasonable efforts to develop the proposed base electric delivery rates using an Embedded Cost of Service ("ECOS") study premised upon calendar year data that is no more than two years prior to the calendar year in which the filing is made (i.e., if the Company files at any time in 2025, it will make reasonable efforts for the proposed rates to be premised upon a 2023 ECOS study year).

2. **Rate Design**

This Proposal establishes new competitive and non-competitive electric delivery service rates, including changes to provisions of the MAC and NYPA OTH Statement. The rates implementing this Proposal will be developed as set forth in Appendix 16.

3. **Customer Charges**

Customer charges will be changed as follows:

	Current	Proposed		
Electric Service Class	2022	RY1 (2023)	RY2 (2024)	RY3 (2025)
SC 1 Rate I, Rider Z, Rider AB	$17.00	$18.00	$19.00	$20.00
SC 1 Rate II & III	$21.46	$18.00	$19.00	$20.00
SC 1 Rate IV	$27.00	$28.00	$29.00	$29.00
SC 2 Rate I, Rider AA	$28.10	$30.00	$32.00	$33.00
SC2 Rate II	$32.56	$30.00	$32.00	$33.00
SC 6	$36.60	$40.00	$44.00	$47.00
Mandatory TOD (Demand-Billed)	$143.09	$500.00	$500.00	$500.00
Voluntary TOD (Demand-Billed)				
SC 8 Rate III	$12.45	$51.00	$55.00	$58.00
SC 9 Rate III	$12.45	$62.00	$66.00	$71.00
SC 12 Rate III	$12.45	$32.00	$34.00	$37.00
Non-TOD (Demand-Billed)				
SC 5 Rate I	N/A	N/A	$46.00	$49.00
SC 8 Rate I	N/A	N/A	$55.00	$58.00
SC 9 Rate I	N/A	N/A	$66.00	$71.00
SC 12 Rate I	N/A	N/A	$34.00	$37.00

4. **Bill Frequency**

The Company will include in its next rate case filing bill frequency data for each of the prior five calendar years to the extent available. The data will provide the number of bills and kWh, by month, at various usage ranges. It will further be provided for each customer service class (and applicable rate class within each service class) with low income separately identified.

5. **Optional Demand-Based Rate (SC 1 Rate IV)**

The Company will continue its SC 1 Rate IV optional demand-based rate, which will be available to all SC 1 customers.

The Company will develop and make available SC 1 Rate IV outreach and education material for both customers and contractors by the end of third quarter 2023.

The material will educate customers and contractors on demand charges and the potential benefits of SC 1 Rate IV, including how it may help customers save on their electricity bills. The Company will also work to engage market participants (e.g., customers and contractors) on the topic of demand rates.

The Company agrees to assess SC 1 Rate IV for potential improvements and report back to the parties by December 31, 2023. Such assessment will include impacts of SC 1 Rate IV on customers adopting heat pumps, electric vehicles and rooftop solar. The Company will conduct a meeting with the parties within 60 days of circulating its findings to discuss when and whether changes should be implemented.

The Company will implement a price guarantee for residential customers commencing billing for the first time under SC 1 Rate IV during the term of the rate plan as described below.

a. The price guarantee will be for research purposes and limited to the term of the rate plan.

b. The price guarantee will be limited to new or existing residential customers operating either air source heat pumps or ground source heat pumps.

c. The price guarantee will be limited to no more than 500 ground source heat pump customers and no more than 500 air source heat pump customers during the term of the rate plan.

d. Under the price guarantee, a customer will receive a credit following the first twelve-month period of billing under SC 1 Rate IV for the difference, if any, between what the customer paid in excess of what the customer would have paid under SC 1 Rate I. The comparison will be made on a total bill basis for full service customers and on a delivery-only basis for retail access customers. Customers that leave SC1 Rate IV prior to the conclusion of the first twelve-month period will receive a credit, if applicable, based on the period during which they took service under SC1 Rate IV.

e. Price guarantee payments will be recovered from SC 1 customers through the RDM.

The Company will provide the following data points in an annual report filed with the Commission on March 1 of the year following each Rate Year: (1) the total number of customers participating in SC 1 Rate IV, (2) the number of participating customers by borough or county, (3) the average monthly on and off peak kW and kWh by borough or county, and (4) the average annual bill impacts by borough or county. Reporting of the items specified above shall be provided separately for: 1) price guarantee air source heat pump customers, 2) price guarantee ground source heat pump customers, and 3) non-price guarantee customers (regardless of heating equipment).

6. Seasonal Rate Study

The Company will provide a seasonal rate study based on its most recent ECOS study and Demand Analysis as part of future base rate case filings.

7. Tariff Changes

Tariff changes, including tariff changes required to implement various provisions of this Proposal, will be made as summarized below. The specific language of the changes will be shown on tariff leaves to be filed with the Commission:

a. Extend the Fleet Electric Vehicle Excess Distribution Facilities program through December 31, 2025, in General Rule 5.2.4.2.

b. Tariff changes for the Company's Selective Undergrounding Pilot Program:

    i. Add in General Rule 5.5.1 that the facilities to be installed underground will include facilities installed under the Selective Undergrounding Pilot Program.

    ii. Add new General Rule 5.5.2.7, describing the Company's cost responsibility for the Selective Undergrounding Pilot Program.

    iii. Add a new provision to General Rule 7.1 – Customer Wiring and Equipment (Leaf 64) stating that for customers served under the Company's Selective Undergrounding Pilot Program, the Company will furnish and install the wiring and equipment, as necessary; provided that the Customer will maintain the wiring and equipment.

c. Modify General Rule 6.10, the AMI Opt-out tariff provision, to clarify that opt-out customers are not subject to the meter reading fee for months where the Company does not attempt a manual meter reading.

d. Add additional customer protection language to General Rule 14.1.4 modifying the conditions for the termination of service by allowing HEAP payments to be utilized, and not terminating service to residential and elderly, blind and disabled customers during certain weather conditions.

e. General Rule 15.2, Reconnection Charge, of the Electric Tariff (Leaf 119) will be revised to continue the waiver of the reconnection charge for customers enrolled in the low-income program, up to an annual target amount of $1,662,592. The Company will notify parties in its most recent electric rate plan if it projects that the target cost will be reached during any Rate Year.

f. Update the re-inspection charge in General Rule 16.3, Charge for Re-inspection (Leaf 121), charge for replacing a damaged AMI meter in General Rule 16.1 (Leaf 121), and charges for certain special services provided at stipulated rates (i.e., hi-pot, Megger, and dielectric fluid tests) in General Rule 17.1, Special Services at Stipulated Rates (Leaf 122).

g. Update the corporate overheads and storage and handling fee in General Rule 17.3 of the Electric Tariff (Leaf 126), which lists the elements of costs charged for special services performed by the Company.

h. Increase the amount of compensation payable for losses due to power failures under General Rule 21.1 (Leaf 171). Increase the compensation limits for residential customers for food spoilage with and without proof of loss from \$540 to \$580 and from \$235 to \$250, respectively, and for commercial customers from \$10,700 to \$11,460.

i. Update General Rule 25.3(d) of the Electric Tariff (Leaf 336) to reflect Uncollectible Bill ("UB") factors of 0.0083 for residential customers, 0.0036 for all other customers, and 0.0060 for the system UB factor, for UB expense associated with the MSC and Adjustment Factors-MSC. The Company will also update the UB factor related to the UB expense associated with MAC and Adjustment Factor-MAC charges in General Rule 26.1.2(b) of the Electric Tariff (Leaf 344) to reflect the system UB factor of 0.0060.

j. Changes to Rider J – Business Incentive Rate ("BIR"):

    i. Extend the BIR application period during the term of the new rate plan.

ii. Update the Biomedical Research Program as follows:

1) For existing customers, the term for BIR rate reductions will be extended by two years.

2) For new customers:

a) For applications through December 31, 2025, the term will be 12 years.

b) For applications after January 1, 2026, the term reverts back to 10 years.

k. The Company will eliminate Riders P, V, and W and references to those Riders throughout the Electric Tariff.

l. Clarify Rider S – Low Income Program to:

i. indicate that it is available to any SC 1 customer, not just SC 1 Rate 1 customers.

ii. clarify the governmental programs needed for customer eligibility.

m. Update the calculation for the Factor of Adjustment for Losses for the MSC component to be based on the 5-year average ended 2022.

n. RDM Allowed Pure Base Revenue targets for the Con Edison service classes (Leaf 351) and PASNY tariff (Leaf 22) will be revised to set forth the annual revenue targets for Con Edison service classes and NYPA based on the final revenue requirement levels approved by the Commission.

o. The RDM sections in the Electric Tariff (Leaf 352) and the PASNY Tariff (Leaf 22) will be revised to reset the annual level of low-income program costs (Low Income Discount and Reconnection Fee Waivers) included in rates to $167.92 million for each rate year, and to indicate that the low-income program will continue beyond December 31, 2025, contingent on the continuation of full cost recovery through the RDM Adjustment or an equivalent mechanism.

p. Update the competitive services revenue targets used in the determination of the Transition Adjustment in General Rule 28.2, to reflect the approved revenue requirements.

q. Eliminate geothermal heat pump eligibility requirement, and limitation on the number of other customers, to make SC 1 Rate IV an optional rate generally available to all SC 1 customers. The Company will also implement a price guarantee for residential customers commencing billing for the first time under SC 1 Rate IV during the term of the rate plan.

r. Clarify that SC 2 General - Small and SC 9 General – Large are SCs intended for customers to which no other SC specifically applies. The other SCs are intended for the specific customers as specified while SCs 2 and 9 are designed for general non-residential customers that do not qualify for the other SCs. The only exceptions are certain religious organizations, community residences and veterans halls and accounts established for the sole purpose of plug-in electric vehicle charging that may select to be served under SC 1, or stay in SCs 2 or 9.

s. Update the monthly bill credit applicable to Recharge New York customers to offset additional energy efficiency costs that will be recovered in base rates.

t. Update the Electric and PASNY Tariffs accordingly to reflect a make-whole provision from this rate plan, and/or delete, as necessary, obsolete provisions from the make-whole provision from Case 19-E-0065.

u. Tariff changes as a result of the implementation of AMI:

    i. Eliminate the provisions in the Electric Tariff and PASNY Tariff requiring Standby Service and Buy-back service customers to provide communications service for Output Meters. For new customers requiring Output Meters, AMI meters will be installed and communications for the AMI Output Meter will be included in the Company's AMI network. The Company will replace Output Meters with AMI meters for existing customers so that the Output Meters will be compatible with the Company's AMI system.

ii. Eliminate a provision in the Electric and PASNY Tariffs requiring Single and Multi-party Standby Offset customers to provide and maintain the communication services for non-AMI meters. The Company has replaced all existing Single and Multi-party Standby Offset customer meters with AMI meters as of January 1, 2023, and new Standby Offset customers will have AMI meters. The Company will provide the communications service for AMI meters. Therefore, this provision is no longer needed.

iii. Modify the reference to interval data for Standby Offset customers in General Rule 20.4.6 from "each 15 minute interval" to "each metered interval," because the Company is in the process of transitioning the meters for Standby Offset customers to AMI meters, which measure usage in five-minute intervals for commercial customers.

iv. Add an option for Rider R customers to close an account on the date of request for customers with communicating AMI meters, since the Company would be able to obtain an actual reading for such customers.

v. Eliminate provisions in SC 2, SC 12, and the PASNY Tariff, requiring the installation of a demand meter if it is determined that the Customer might use more than 10 kW of maximum demand or if the Customer's usage exceeds 6,000 kWhr for a 60-day period. The Company will also eliminate in SCs 5, 8, 9, 11, and 13 language stating that it would install demand meters for those SCs. Since the Company has been installing AMI meters, which are capable of measuring demand, these provisions are no longer necessary.

vi. In SC 12, Multiple Dwelling Space Heating, add a new Special Provision E to establish the demand thresholds for customers billed for both energy and demand, and customers billed for energy only under Rate I and Rate III. This is necessary for three reasons:(1) as noted above, the Company has eliminated provisions requiring installation of a demand meter under certain circumstances; (2) essentially every SC 12 Customer will have an AMI meter that is capable of measuring demand so rules are needed to clarify the conditions under which customers will be billed for both energy and demand versus energy only; and (3) to provide consistency with similar provisions under SCs 2 and 9. Special Provision E will state that whenever a Customer's maximum demand under Rate I or Rate III of SC No. 12 exceeds 10 kilowatts in two consecutive months, the Customer's use thereafter will be billed under both energy and demand rates. And, whenever a Customer’s maximum demand under Rate I or Rate III of Service Classification No. 12 shall not have exceeded 5 kilowatts for a period of 12 consecutive months, the Customer’s use thereafter will be billed under energy only rates.

vii. Specify in General Rule 6.10 that Residential Customers who are required to have an Interval Meter cannot opt-out of AMI since the Company will no longer support non-AMI Interval Meters.

v. Tariff changes related to Standby Service and SC 11 – Buy-back Service:

   i. Combine the interconnection and operation provisions under General Rule 20 – Standby Service and SC 11 – Buy-back Service under a new common General Rule 8.4 since they are duplicative. Any minor inconsistencies between the original Standby Service and Buy-back Service interconnection and operation provisions will be made consistent. Furthermore, the option to pay the capital costs of interconnection in a lump sum rather than an annual surcharge that was only available to Standby Service customers will be extended to Buy-back Service customers.

   ii. General Rules 20.2.1(B)(7), 20.2.1(B)(8), and 20.2.1(B)(9), will be moved from General Rule 20.2 – Interconnection and Operation to a more appropriate section, General Rule 20.4 – Billing under Standby Service rates. References will be updated throughout the tariff to reflect this change.

   iii. Eliminate the requirement in General Rule 20.3.2 that customers with designated technologies make a one-time election to be billed under Standby Service rates 30 days before commencing operation of an onsite generating facility. This would allow flexibility for customers to make this one-time election at any time.

   iv. Eliminate the option to sell to the NYISO under SC 11. Customers that seek to sell energy have two options. The customer may sell energy back to the Company under SC 11 or the customer may participate in the wholesale energy market by selling energy to the NYISO under the Company's FERC–jurisdictional Open Access Transmission Electric Tariff.

v. Eliminate the 20 MW upper limit for customers served under the new General Rules 20.4.5 and 20.4.6, and provide that distributed generators above 20 MW may be interconnected to the Company's distribution system subject to engineering review on a case-by-case basis. In addition, the Company will revise the reference to the Company's distributed generation guides from a reference to a specific guide to a general reference to the Company's multiple distributed generation guides. Conforming changes will be made to the Gas Tariff in reference to the 20 MW distributed generation limit and guides.

w. Housekeeping tariff changes as follows:

  i. Add the existing EV Make-Ready Surcharge section to the table of contents and to the list of delivery surcharges in General Rule 26.

  ii. Clarify the definition of Pure Base Revenue on Leaf 17 so that it includes the comparable charges under the applicable Riders to the Customer's Service Classification, such as comparable charges under Riders Z, AA and AB.

  iii. Delete specific language related to flood protection requirements for customers that are included in Company specifications on Leaf 56, since they may be updated from time to time. The Company will also clarify that equipment associated with transformers should be protected in addition to the transformers themselves.

iv. Delete a provision related to customer-owned meters on Leaf 129, which is obsolete.

v. Make the following housekeeping changes to Rider T-Commercial Demand Response Program:

    1) Delete an obsolete provision that was applicable only in 2017 and 2018.

    2) Delete obsolete provisions that were applicable only during the 2020 capability period.

    3) Remove the "or" in the DRV and/or LSRV Rider R Value Stack Tariff restriction. As described under Rider R Value Stack Tariff, this restriction applies to both DRV and LSRV.

vi. Regarding the MAC, the Company will remove or revise the following MAC components in General Rule 26.1.1:

    1) Revise component 9 regarding Customer's share of the cost of the savings passed on to eligible Customers, rather than Madison Square Garden, in accordance with Section 3, Chapter 459, 1982 N.Y. Laws. A corresponding change will be made in the PASNY Tariff. SC 9 Special Provision F will also be revised to indicate that eligible Customers, rather than Madison Square Garden, will be subject to an adjustment pursuant to Section 3, Chapter 459, 1982 N.Y. Laws.

    2) Remove component 29 related to costs associated with non-Company owned

generation facilities pursuant to a settlement agreement among the parties to Indeck v. Paterson, Index No. 5280-09, Supreme Court, Albany County.

3) Revise component 33 to remove specific Energy Efficiency and Demand Response Program costs that have expired to be recovered in the MAC, with any remaining Energy Efficiency and Demand Response Programs to be recovered in the MAC, as approved by the Commission. A corresponding change will be made in the PASNY Tariff.
4) Remove component 34 related to the Smart Grid Project. General Rule 26.1.4 further describing the Smart Grid Project will also be removed. A corresponding change will be made in the PASNY Tariff.
5) Remove component 35 related to payments made by NYSERDA pursuant to a settlement agreement among the parties to Indeck v. Paterson, Index No. 5280-09, Supreme Court, Albany County.
6) Remove component 37 related to recovery of the 125 MW Energy Efficiency/Demand Reduction/Combined Heat and Power Program costs as this program has been completed.
7) Remove component 47 related to consultant costs to develop a marginal cost study approach and a climate change vulnerability

study implementation plan. A corresponding change will be made in the PASNY Tariff.

vii. Add time periods to clarify the EV Make-Ready Surcharge applicable to Rate II of SC 5 and Rate II and Rate III of SCs 8, 9, and 12 on Leaf 359.1, to be consistent with the current practice and other similar surcharges.

viii. Delete obsolete provisions in SCs 8, 9, and 12 that expired in 1997 that allowed 20 customers with thermal storage to be on Time-of-Day rates. The Company has since implemented voluntary Time-of-Day rates available to all customers in those service classes.

ix. Delete SC 9 Special Provision D on Leaf 458, and all references to it, because the percentage reduction expired in 2018.

x. Correct the indentation in the last paragraph on Leaf 17.1 of the PASNY Tariff.

xi. Clarify that Rate I PASNY customers transfer from non-demand billed service rates to demand billed service rates if their maximum demand exceeds 10 kilowatts in two consecutive months and transfer from demand billed service rates to non-demand billed service rates if the PASNY Customer's maximum demand for a period of 12 consecutive months shall not have exceeded 5 kilowatts. This change is consistent with current practice and with similar provisions in SC 2 and SC 9 of the Electric Tariff. The Company will also update the titles under Rate I of the PASNY Tariff from "non-demand metered service" to "non-demand billed service" and "demand metered service" to "demand billed service."

xii. Delete the obsolete Transition Adjustment for Metering Services in the PASNY Tariff.

xiii. Delete recovery for Earning Adjustment Mechanisms ("EAMs") associated with the System Peak Reduction Program targets in the Contribution to EAMs and Other Revenue Adjustments section in the PASNY Tariff, since it is obsolete. The Company will also clarify the EAMs associated with energy efficiency programs for which costs are not allocated to PASNY customers.

xiv. Add General Rule 5.2.5, Permits, which was erroneously deleted.

xv. Modify, as appropriate, other tariff provisions that are now expiring or obsolete or being made for ministerial purposes in each Rate Year compliance filing.

x. Pursuant to the Commission's August 2021 EAP Order, the Company will update its EAP discounts in the Statement of Low Income Customer Affordability Assistance Program Discounts in its RY 1 compliance filing.

y. Reduce the mandatory hourly pricing threshold to 300 kW effective September 1, 2024, to be reflected in the RY 2 compliance filing.

z. Update the tariff to reflect the inclusion of customers served under Standby Service rates and the combining of SC 13 with SC 8 in the RDM to become effective on January 1, 2024, to be reflected in the RY 2 compliance filing. Standby customers will be assessed the RDM Adjustment effective August 1, 2024, which will reflect the reconciliation of January through June 2024.

aa. The Company will make any necessary tariff changes for a low income DER make ready program, as authorized by the Commission.

H. Gas Revenue Allocation/Rate Design and Tariff Changes

1. Revenue Allocation

The allocation of the delivery revenue change for firm customers for each Rate Year is explained in Appendix 17. The revenue allocation reflects one-third of the revenue surplus/deficiency indications, resulting from the Company's Gas Embedded Cost of Service Study, in a revenue neutral manner in each Rate Year. The surplus/deficiency revenue adjustments allocable to each of the Con Edison classes in each Rate Year are shown in Table 1 in Appendix 17.

2. Rate Design

This Proposal establishes new competitive and non-competitive gas delivery service rates. The rates implementing this Proposal will be developed as set forth in Appendix 17.

3. Minimum Monthly Charges

The minimum monthly charges will be increased as follows:

GAS SERVICE CLASSES	Current Rate	Proposed Rate		
	2022	RY 1 (2023)	RY 2 (2024)	RY 3 (2025)
SC 1	$27.70	$30.00	$31.67	$33.23
SC 2 Rate I	$34.80	$39.00	$43.00	$47.00
SC 2 Rate II	$34.80	$39.00	$43.00	$47.00
SC 3	$23.80	$26.00	$29.00	$32.00
SC 13	$59.66	$66.86	$73.71	$80.57

- The Rider H, Distributed Generation, minimum charges will be increased by the same percentage increase as the SC 2 Rate I minimum charge, and will be set as follows:

DG Capacity	Current Rate	Proposed Rate		
	2022	RY 1 (2023)	RY 2 (2024)	RY 3 (2025)
<= 0.25 MW	$186.10	$203.15	$218.98	$234.57
>0.25 MW and <= 1 MW	$254.30	$277.59	$299.21	$320.51
> 1 MW and <= 3 MW	$505.90	$552.24	$595.26	$637.64
> 3 MW and < 5 MW	$674.30	$736.07	$793.41	$849.90
>= 5 MW and < 50 MW	$102.10	$111.45	$120.13	$128.68

- The Rider J, Residential Distributed Generation Rate, minimum charges will be increased as follows:
  - The minimum charge for Rider J Rate I, applicable to SC 1 customers, will be increased by the same percentage increase as the SC 1 minimum charge, and will be $30.30, $32.00, and $33.60, in Rate Years 1, 2 and 3, respectively.
  - The minimum charge for Rider J Rate II, applicable to SC 3 customers in buildings with four or less dwelling units, will be increased by the same percentage increase as the SC 3 minimum charge and will be $48.60, $53.60 and $58.70 in Rate Years 1, 2, and 3, respectively.

4. <u>Bill Frequency</u>

The Company will include in its next rate case filing bill frequency data for each of the prior five calendar years to the extent available. The data will provide the number of bills and therms, by month, at various usage ranges. It will further be provided for each customer service class (and applicable rate class within each service class) with low income separately identified.

5. <u>Blocked Rates</u>

The Company's gas rate design reflects a 10-year phase-out of declining block rates in SC 2 and SC 3.

6. <u>SC 3 Rates</u>

The Company will make a proposal in its next gas base rate filing to establish separate rates in SC 3 for: customers with 1-4 dwelling units and customers with more than 4 dwelling units. Such proposal will be based on the ECOS study filed with the gas base rate filing and will include separate allocations for customers with 1-4 dwelling units and customers with more than 4 dwelling units.

7. <u>Interruptible Service</u>

During the term of the Gas Rate Plan, the Company will file annual reports with the Secretary under Case 22-G-0065 to provide information on the interruptible discount for each rate year. The report will include the information in the chart below and be filed by May 31 each year beginning May 31, 2023.[61] The Company will explain in its next base rate filing its recommendation on the interruptible discount based on its analysis of the information.

Program Movement (Annual)						
Year	WAP	IT to Firm	Firm to IT	Peak Day Impact	IT to Firm	Firm to IT
	Mdt/d	#	#	Mdt/d	Mdt/d	Mdt/d
2019	1,634	7	6	1.8	2.1	-0.3
2020	1,611	7	8	1.7	2.3	-0.6
2021	1,635	6	7	1.6	2.3	-0.7
2022						
2023						
2024						
2025						

[61] For 2024 data (*i.e.*, RY2) the Company will provide all data except for the weather adjusted peak ("WAP") by January 31, 2025. The Company will update its reporting with the WAP data by May 31, 2025.

Interruptible Customers (Year Ended)		
Year	**Sales**	**Transport**
2019	161	400
2020	178	384
2021	167	395
2022		
2023		
2024		
2025		

8. <u>Tariff Changes</u>

Tariff changes, including tariff changes required to implement various provisions of this Proposal, will be made as summarized below. The specific language of the changes will be shown on tariff leaves to be filed with the Commission:

a. Update the Rates for Firm Sales and Transportation Service Classes 1, 2, 3, 9, 12 and 13 and Distributed Generation rates Riders H and J.

b. Increase discounts for Rider D – Excelsior Jobs Program. Discount of 53% for SC 2 Rate I and a discount of 40% for SC 2 Rate II.

c. Update RDM Targets in General Information Section IX.14. based upon final rate calculations.

d. Update the per therm supply related charge and credit and collection related rates of the MFC and remove obsolete language under General Information Section IX.8.

e. Modify the language in General Information Section IX.20 to reflect a DRS make whole.

f. Eliminate the "concurrent connections" language that allows multiple customers seeking to connect to the Company's gas distribution system to pool their installations and avoid connection costs in General Information Section III.3.(B)(3)(b).

g. Add language throughout tariff related to Local RNG Production and operational procedures required by the Company.

h. Add additional customer protection language to General Information Section III 12 (D) modifying the conditions for the termination of service by allowing HEAP payments to be utilized, and not terminating service to residential and elderly, blind and disabled customers during certain weather conditions.

i. Update the Inside Piping Survey/Inspection Fee for customers who opt out of outside meter installations under General Information Section III.5(C) 3 ii (a) & (b).

j. Modify language for no access fees to be billed every billing period until access is gained and to recover any legal or law enforcement costs in General Information Section III.8(C)(2).

k. Add Damaged Meter Fee under General Information Section III.8(X) to recover the cost of replacing a damaged meter in the event the access controller to a Company-owned meter did not exercise reasonable care or the meter was damaged due to tampering.

l. Add additional pipelines to the weighted market price of gas calculation to conform with the Company's Gas Sales and Transportation Operating Procedures ("GTOP") under General Information Section III(14)(E).

m. Update percentages for handling costs and corporate overheads for costs associated with special services performed by the Company under General Information Sections IV.2.(B) and (F).

n. Add the Weather Normalization Adjustment to list of charges applicable to various rates to clarify those provisions.

o. AMI Provisions:

    i. Remove requirement for Rider H customers to have Interval Metering due to AMI metering on Leaf 154.10.

    ii. Removed references to phone lines due to AMI metering throughout the Gas Tariff.

    iii. Add exemption language for customers with AMI will not be required to provide communication equipment.

p. Pursuant to the Commission's August 2021 EAP Order, the Company will update the new low-income funding level in rates to conform to the Energy Affordability Program ("EAP") Budget under General Information Section IX.10.

q. Change method for calculating interest on the RDM Adjustment to include interest on the monthly accrual and deferral balance under General Information Section IX.14.

r. Update the Other Non-Recurring Adjustments to remove the reference associated with the credit resulting from Case 10-G-0100 under General Information Section IX.19.

s. Remove the Pipeline Safety Acts Surcharge under General Information Section IX.28.

t. Add language to the reconciliation of the minimum charge provisions for dual fuel customers to clarify that, in no event shall the customer be charged less than the amount based on their actual consumption during the 12-month period on Leaves 232 and 241.

u. The UB factor related to the MRA, under General Information Section IX.11, will be updated to reflect the system UB factor of 0.0060 ($0.60 per $100 or 0.6000%).

v. The UB factor related to the MFC, under General Information Section IX.8., will be updated to reflect $0.83 per $100 of commodity costs for residential customers and $0.36 per $100 of commodity costs for non-residential customers.

w. Modify General Information Section III.8.(W)(3) of the AMI Opt-out tariff provision to clarify that opt-out customers are not subject to the meter reading fee for months where the Company does not attempt a manual meter reading.

x. Housekeeping Changes:

   i. Modify notification language regarding reconnection charges under General Information Section III.8.(V) to continue the requirement for the Company to notify parties if the target cost will be reached in any rate year.
   ii. Eliminate references to SC 12 Interruptible Temperature Control Option customers as approved in Case 19-G-0066.
   iii. Remove Rider G and I and associated references throughout the Tariff because these Riders expired on December 31, 2020.
   iv. Eliminate obsolete references to the Tax Sur-Credit under General Information Section IX.17 because it expired.
   v. Clarify eligibility of Rider J customers under Rider E on Leaves 130, 154.24, and 154.25
   vi. Add new components to the list of MRA items and eliminated obsolete components under General Information Sections VII.(B) and VII.(b)(2)
   vii. Remove obsolete Transition Surcharge for Capacity Costs language under General Information Section IX.4.

viii. Remove obsolete Load Following Charge language under General Information Section IX.6 and the associated references throughout the Gas Tariff.

ix. Remove obsolete Manhattan Transmission Project Surcharge language under General Information Section IX.31.

x. For clarification, add exemptions to the SC2 ratio calculation to Leaves 230, 235, and 235.1.

xi. Eliminate references to the annual interruptible reconciliation of SC12, Interruptible Rate 1 on Leaves 274 and 332 since it is no longer required.

xii. Eliminate SC12 Rate 2 rates on Leaves 275, 333, 334 that are no longer being offered.

xiii. Modify language to clarify the interruptible and the off-peak firm commodity rates on Leaves 332 and 333.

xiv. Add language to clarify penalty rate for off season usage under SC-13 on Leaf 349.

xv. Clarify the exclusion days for cost of gas for the cashout charge for interruptible daily balancing service to conform to language existing in the Company's Gas Sales and Transportation Operating Procedures ("GTOP") on Leaf 378.

xvi. Remove obsolete language related the Credit and Collections component of the POR Discount Percentage on Leaf 397.3.

xvii. To be consistent with the Electric Tariff, eliminate the 20 MW upper limit for customers served under the Electric General Rules 20.4.5 and 20.4.6, from the General Information Sections Special Provisions VI (H) (4) Leaf 154.11 and (F) (4) Leaf 154.26 and SC 9 Miscellaneous Provision (K) Leaf 322.

xviii. Remove the obsolete reference to Transition Adjustment for Competitive Services under General Information Section IX.7

xix. Clarify the governmental programs needed for customer eligibility under Low Income Rider E on Leaf 130 Section (C).

I. <u>Performance Metrics</u>

Performance metrics designed to measure various activities that are applicable to the Company's Electric, Gas, AMI, and Customer Service Operations, and assess negative and/or positive revenue adjustments where performance targets are not met or are exceeded, respectively, are set forth in Appendices 18, 19, 20, 21, and 24. Any positive or negative revenue adjustments during the Rate Plans will be recovered from or credited to customers through the MAC, NYPA OTH Statement, and MRA.

J. Customer Energy Solutions Provisions

1. Customer Recommendation and Analysis Tools

The Company is developing a suite of tools to assist customers with the clean energy transition, currently called Customer Recommendation and Analysis Tools. The Company will provide an Implementation Status Report 60 days after the end of each quarter during the rate plan. This status report will include:

- Annual budget;
- Budget spent in quarter and year to date;
- Work planned and performed:
- Outreach and education efforts,
- Implementation milestones and progress towards milestones; and
- When applicable, metrics demonstrating customer/contractor use of tools, for example, understanding tool usage, updates on traffic, and customer satisfaction.

As the Company implements this program, in the quarter following each tool implementation, the Company will define metrics for that tool.

2. Distributed Energy Resources Make Ready for Low Income Customers

The Company will work with parties, stakeholders and NYSERDA to develop a low income Distributed Energy Resources (DER) Make Ready Program.[62] This Make Ready Program will support qualified DER projects by reducing all or a portion of the utility upgrade costs for the installation of DER projects that benefit low-income customers. The Company will distribute the details of the DER Make Ready Program, including reporting requirements, to all active parties and other interested stakeholders, within 15 days following Commission approval of the Joint Proposal. Stakeholder participants and other interested parties will have 30 days from the date of distribution to comment on the Program. If there is consensus among the stakeholder participants, the Company will begin implementing the program, as modified by the stakeholder discussions, 15 days after the end of the 30-day comment period. If there is not consensus, then the Company will continue to work with Staff, NYSERDA and collaborative participants to resolve the issues.

3. Electric Storage Projects

During the term of the Electric Rate Plan, Con Edison will implement two front of the meter energy storage projects, Freshkills in Staten Island and Glendale in Queens, described in more detail below.

a. Freshkills Substation:

[62] Revenue requirement impacts of this DER Make-Ready Program will be recovered through a surcharge mechanism as noted in Sections B and G. In Con Edison's next electric base rate case, the DER Make-Ready Program costs will be rolled into base rates.

This project is expected to be a battery system that will discharge for up to four hours with an output of 11.6 MW / 46.4 MWh to provide peak shaving, distribution and substation contingency support, voltage support, renewable energy support, and participate in the wholesale market.

b. Glendale Substation:

This project is expected to be a battery system that will discharge for up to four hours with an output of 5.8 MW / 23.3 MWh to provide peak shaving, distribution and substation contingency support, voltage support, renewable energy support, participate in the wholesale market, and contribute to the reliability and resiliency of the distribution system serving disadvantaged neighborhoods in Maspeth, Queens.

4. Innovative Pricing Pilot

The revenue requirement for each rate year includes funding for the expansion of the Innovative Pricing Pilot (Wave 4) as required by the Commission's July 15, 2022 Order in Case 18-E-0397.

5. Customer Energy Solutions Labor

Customer Energy Solutions incremental and total labor increases for the following groups are:

Project name	Total FTE's	FTE Additions				Total FTE's
	Test Period	RY1	RY2	RY3	RY1-RY3	RY3
Customer Recommendation & Analysis Tools	0	5	4	0	9	9
Make-Ready DER for DAC and Low Income	0	1	0	0	1	1
Energy Storage Installation and Operation	0	8	1	6	15	15
EE - Electric & Gas, LMI, Clean Heat & TDM - NWA, NPA, DR	132	36	8	3	47	179
Utility of the Future Development	8	5	0	0	5	13
Storage Organization	0	6	3	1	10	10

6. **<u>Conservation Voltage Optimization ("CVO")</u>**

a. On October 28, 2022, the Company emailed a letter to all high-tension customers explaining CVO.

b. The Company is working with high tension customers to provide power quality information, including, but not limited to, voltage interval readings at their connection points. This information can be used by high tension customers to understand the voltage level they are receiving from the Company at the meter. The Company will strive to begin providing the power quality information on January 1, 2024. To accomplish this:

   i. the Company hosted a meeting for high tension Customers to discuss the: (1) CVO implementation project and (2) data that AMI smart meters can provide for customers on November 9, 2022. At the meeting, high tension customers had the opportunity to understand and discuss the additional data the Company may be able to share.

   ii. On November 18, 2022, the Company forwarded to high tension customers a chart of acceptable voltage ranges based on ANSI C84.1-2020. The Company noted that high tension customers can expect voltage to be in the ANSI Range A Voltage levels forwarded to the high tension customers. The Company also provided the customers a set of Range B Voltages that a high tension customer could experience during non-blue sky system conditions.

iii. On November 11, 2022, the Company requested that high tension customers provide updated one-line diagrams of their transformers that include tap position, turns ratio, impedances, and nameplate rating. On January 5, 2023, the Company reached out to high tension customers to request that they provide updated diagrams by January 19, 2023 or as soon as reasonably possible. This information will be used to help develop the tool for sharing voltage data with high tension customers (the "Tool"). In the event customers have not changed their transformers since they previously provided one-line diagrams to the Company, no updates need to be provided, but the customers should so advise the Company. If the one line diagram or other customer communication is not provided by January 23, 2023, the Company will follow up by sending a letter via United States Postal Service to the high tension customer to request the one line diagram.

iv. The provision for one-line diagrams shall not be a condition precedent to customers receiving power quality information from the Company.

v. Once Con Edison develops the Tool, it will work with its high tension customers collectively and individually, as necessary, to demonstrate how the Tool works and to assist the customers in using the Tool and the power quality information the Company will provide to calculate voltage on the load side of the customer's transformer(s).

vi. The Company will meet with high tension customers by June 15, 2023 to review the status of its development of the Tool, further discuss its plans for providing power quality information to the customers, and explain how such information could be used. The Company also should use this meeting as a forum to discuss its utilization of CVO and emergency voltage reductions and solicit information from its customers on any power-related problems they have experienced. To the extent the Company has identified any potential delays in the January 1, 2024 implementation date for the Tool, it will so advise the customers and provide a revised implementation date.

c. 45 days prior to increasing CVO in a network beyond the prior CVO peak, the Company will send a written notice to all high-tension customers fed by that network. If the Company receives notification from any of these customers within the 45 day period that customer work is required to prepare the customer equipment for the voltage change, the Company will delay the planned additional voltage optimization for the network until the customer has made necessary changes to its equipment, up to three months from the original notification date.[63] The Company can change CVO levels up or down depending on circumstances, and is only required to provide prior notice to high tension customers: (1) if it is increasing the CVO level beyond the prior CVO peak level or (2) making a "permanent" change to the existing CVO level.[64]

d. Prior to summer 2023, the Company will enhance its existing hot weather communications that are currently sent to high tension customers on days forecast to exceed an 82°F TV. The enhanced communication will include language advising of possible emergency voltage reduction measures that can take place. Energy Services representatives also will communicate this emergency voltage reduction notification to high tension customers. The Company will encourage customers with questions to contact their Customer Project Managers.

e. Con Edison will follow ANSI standard C84.1 when optimizing voltage. (During emergency voltage reductions or if there are transmission or distribution system disturbances, the voltage could deviate from the limits prescribed in ANSI C84.1.for normal and first contingency conditions.)

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[63] The Company will work with high tension customers if the three month period is not sufficient for the customer to complete any adjustments to its equipment required by CVO. The Company is permitted to implement CVO if a customer fails to work in good faith with the Company to address issues on their side of the meter.

[64] As used in this context, a permanent change is considered to be a change in the base voltage level. A change in voltage level for a period of days or weeks based on then-current system conditions or the Company's work activities shall not be considered a permanent change.

f. In the event a high tension customer experiences a potential voltage issue, once the high tension customer reports the issue to Con Edison, Con Edison will investigate and analyze the issue to determine the cause. In the event the issue is associated with voltage optimization, Con Edison will work with the high tension customer to address the CVO impact on the customer's equipment. To facilitate communication between the Company and high tension customers, the Company's power quality manager will review voltage issues raised by high tension customers. Additionally, in each instance in which the Company determines that the problem is caused by CVO, the Company will prepare and provide to the customer an email report that describes the problem(s) experienced, the nature of the Company's investigation, the Company's conclusion regarding the cause(s) of the customer's problem(s), and the actions taken by the Company and/or customer to resolve the problem(s). Each email report also shall state that if a customer remains dissatisfied with its electric service, it can contact the Department of Public Service for assistance. Each email report shall be provided no more than 15 days after the Company considers the problem(s) to be resolved.

7. Building Energy Usage Data

Regarding the Company's requirement to provide data to building owners under the City of New York Local Laws 84 and 97, the Company will facilitate building owners' compliance by taking the following steps:

- On December 15, 2022, the Company provided a plan to redesign the software architecture as needed so that the data provided to building owners is complete, accurate and timely (timely meaning no more than one day between request and substantive response). The redesign plan included a preliminary timeframe for project completion, which the Company anticipates would be prior to RY3.
- By February 1, 2023, the Company will complete its ongoing improvements to its Energy Efficiency Benchmarking Portal.
- Since November 2022, Con Edison is meeting with representatives of the City of New York and other interested stakeholders on a monthly basis to review the status of the project, describe the actions it is taking to fix the problems identified to date, and solicit input. These meetings shall continue until the Company implements the redesign plan. At each meeting, the Company will provide a document containing the following information:
    - the work performed;
    - remaining tasks;
    - a current timeline for completion of this project;
        - the results of the quality assurance and quality control activities discussed below; and
        - the Company will follow up with meeting notes inclusive of feedback, input and next steps.
- Con Edison will continue current meeting cadence with the New York City Department of Buildings on the design of the software architecture and nature

of the data to be provided to customers. These meetings will continue until the new system is in place or until the City and Company agree that they are no longer needed.

- Con Edison will conduct quality assurance and quality control activities on a statistically significant portion of the data set each year to confirm its completeness and accuracy.
- Con Edison will provide an annual informational report to the Commission within 60 days after the end of the rate year, regarding the status of the improvements and redesign plan, until the redesign plan is implemented. This will include information on:
    - the work completed over the prior 12-month period;
    - remaining tasks;
    - a current timeline for completion of this project;
    - the reasons for any slippage of deadlines or milestones as compared to previous reports; and
    - a summary of the quality assurance and quality control measures taken by the Company, the quality of the customer data determined via such measures, and the corrective actions taken, as appropriate, based on problems identified by these measures or otherwise.

8. Earnings Adjustment Mechanisms ("EAMs")

During the terms of the rate plans, the Company will have the following seven EAMs.[65] These EAMs are more fully described in Appendix 22. The chart below contains the EAMs and their values.

EAM	Description		Target	RY1 (2023)	RY2 (2024)	RY3 (2025)
				(EAMs in $ million)		
Smart Building Electrification - Electric	Based on lifetime MMBtu savings generated by Building Envelope, Ground Source Heat Pumps, Waste Heat Recovery and Advanced Building Controls.	Electric	Min	$4.383	$4.690	$4.932
			Mid	$6.137	$6.566	$6.904
			Max	$10.520	$11.257	$11.836
Smart Building Electrification - Gas	Based on lifetime MMBtu savings generated by Building Envelope, Ground Source Heat Pumps, Waste Heat Recovery and Advanced Building Controls.	Gas	Min	$1.613	$1.744	$1.850
			Mid	$2.259	$2.441	$2.590
			Max	$3.872	$4.185	$4.440
Demand Response	Based on operationally available MW of DR resources from all customers enrolled in CSRP, DLRP, Term- and Auto-DLM, DLC, and NYISO's SCR program.	Electric	Min	$3.507	$3.752	$3.945
			Mid	$7.013	$7.505	$7.891
			Max	$12.273	$13.133	$13.809
Light-Duty Vehicle Emissions	Based on lifetime GHG reductions from Light-Duty EVs.	Electric	Min	$3.507	$3.752	$3.945
			Mid	$7.890	$8.443	$8.877
			Max	$12.273	$13.133	$13.809
Transportation Interconnection Timeline	Based on interconnection timeline reductions for transportation electrification projects.	Electric	Min	$3.507	$3.752	$3.945
			Mid	$5.260	$5.628	$5.918
			Max	$10.520	$11.257	$11.836
DER Utilization (Solar)	Based on Solar PV adoption of 5 MW or less in size by customers	Electric	Min	$1.753	$1.876	$1.973
			Mid	$5.260	$5.628	$5.918
			Max	$12.273	$13.133	$13.809

[65] If the Company does not file for new rates to become effective January 1, 2026, the Company will make a filing by July 15, 2025 proposing budgets, targets and incentives for EAMs during the period following the end of RY3 for Commission approval, subject to Commission orders in Case 18-M-0084 or any other applicable case. Prior to the filing, the Company will meet with Staff and parties to explain the proposal and solicit input.

Post filing, the Company will meet with parties to receive any additional comments the parties have. Parties will also be permitted to file comments on this filing.

DER Utilization (Storage)	Based on adoption of customer-sited energy storage 5 MW or less in size.	Electric	Min	$1.753	$1.876	$1.973
			Mid	$5.260	$5.628	$5.918
			Max	$12.273	$13.133	$13.809
Managed Charging	To be determined in collaborative but will in total be no more than 10 basis points.	Electric	Min	To be determined in collaborative.		
			Mid			
			Max			

a. EAM Reporting Requirements

On each of June 30, 2024, 2025 and 2026, Con Edison will make a compliance filing to the Commission showing the calculation of incentives earned under each EAM for the rate year preceding the filing. The Company may begin collecting the calculated amount of incentives forty-five days after the compliance filing, through the MAC, NYPA OTH Statement, or MRA, as applicable, subject to adjustment if the Commission determines that the Company's incentive calculations should be corrected.

9. Advanced Metering Infrastructure

a. AMI Scorecard

The AMI Order required the Company to develop a set of metrics for AMI "that can be used by the Commission to monitor the success of this AMI project based on Con Edison's purported benefits related to system operation, outage management, and billing errors."[66] Appendix 20 identifies each metric that the Company will track as well as the specific reporting requirements related to each metric. The Company will file reports on these metrics with the Secretary under Cases 22-E-0064 and 22-G-0065 on or before April 30 and October 31, 2023.

[66] AMI Order, p. 47.

b. AMI Platform Service Revenues

To the extent the Company identifies an opportunity to generate platform service revenues from the AMI system, the Company shall propose that 80% of the revenues generated should be provided to customers and 20% of the revenues retained by the Company so long as the platform service revenues derive from the Company's monopoly function as per the REV Track Two Order.

10. Scorecard

During the terms of the rate plans, the Company will provide:

- Green House Gas ("GHG") emissions scorecard, providing New York City's most current GHG inventory as part of the Company's EAM reporting each March, currently on the City's website at https://nyc-ghg-inventory.cusp.nyu.edu/, and any other data sources if information is available for the County of Westchester. The Company will provide this scorecard until the Commission orders a statewide GHG emissions inventory.

K. Additional Electric Provisions

1. Reliability Projects Due to Generator Retirements

Nothing in this Proposal precludes or limits the Company from filing a petition with the Commission seeking recovery of incremental costs associated with transmission or distribution projects due to generator retirements that the Company determines are necessary to maintain reliability. Nothing in this Proposal commits a signatory to supporting such a petition or prevents a signatory from opposing such a petition, except on the grounds that filing or granting such a petition would violate this Proposal.

2. Electric Selective Undergrounding Pilot Program

This pilot program is authorized at $75 million over the term of the Electric Rate Plan. The Company will identify and prioritize sections of Con Edison's overhead distribution system, where customers frequently experience outages caused by severe weather, for undergrounding under this pilot program.

Pilot Program Screening Criteria

The Company will select projects for undergrounding Company facilities and equipment and customer service lines based on the order of the screening criteria below.

1. Projects that address prior large or recurring outage events and which should reduce or minimize recurrence of such events.
2. Outage reductions for critical customers.
3. Ability to reduce outages related to tree damage.
4. Outage reductions for customers in disadvantaged communities.
5. Cost-effectiveness of undergrounding in comparison to other solutions.

Pilot Program Expenses

The budget for this pilot program includes the costs associated with undergrounding existing Company facilities plus the costs associated with undergrounding customer service laterals connecting to such facilities.

3. Jamaica Load Relief Project (Eastern Queens)

The Company may petition for approval and recovery of the Eastern Queens reliability project, which is comprised of two substations and associated feeders, no sooner than 30 days after Commission adoption of the Proposal. According to Con Edison, the Company's latest demand forecasts are indicating a need for these projects in Eastern Queens. Nothing in this Proposal commits a signatory to supporting such a petition or prevents a signatory from opposing such a petition, except on the grounds that filing or granting such a petition would violate this Proposal.

4. Infrastructure Investment and Jobs Act ("IIJA")

The Company initiated the formal IIJA application process by submitting two concept papers to the Department of Energy ("DOE") on December 15, 2022 for funding under the Smart Grid Grant and the Grid Resilience Utility and Industry Grant programs. The Company is developing full applications which are due to DOE by March 17, 2023 for the Smart Grid Grant program and April 6, 2023 for the Grid Resilience program. The Company will hold a meeting with interested parties by September 30, 2023 to discuss the status of its applications. As discussed in Section D.1., customers will receive the revenue requirement impact of the decreased program/project costs and the Company will establish a sur-credit, if applicable, to provide more current recovery.

L. Additional Gas Provisions

1. AMI-Enabled Natural Gas Detectors ("NGDs")

Con Edison will file with the Secretary under Cases 22-E-0064 and 22-G-0065 an annual report no later than 90 days following the close of each Rate Year. The annual report shall include, at a minimum:

(1) number of AMI NGDs installed in the subject Rate Year, including breakdown of new installations vs. replacements due to device end-of-life;

(2) total number of AMI NGDs installed to date;

(3) costs for installations in the subject Rate Year;

(4) costs for installations to date;

(5) alarms received by the control center in the subject Rate Year, including a breakdown of the causes of the alarms (*e.g.*, identified leak, sewer emissions, work on customer equipment); and

(6) Summary of actions taken in response to alarms (*e.g.*, gas turn-off, replaced device).

2. **First Responder Training**

The Company will continue efforts to adopt the principles of the Pipeline Emergency Responders Initiative ("PERI")[67] and document its outreach to fire departments and other public safety agencies. Additionally, Con Edison will continue to enhance its training regarding the appropriate response to gas-related emergencies offered to local fire departments, other first responders and municipalities throughout its service territory. These enhancements will include more hands-on training, improvements to the training curriculum and an increased frequency of drills and other training targeted at improving the awareness of and response to natural gas leak emergencies. The Company will file annual reports with the Secretary under Case 22-G-0065 describing its efforts within 60 days after the end of each rate year. The reports will identify participating fire departments/public safety agencies and include, at a minimum, the date, location, and times of drills and/or operational exercises, any associated outreach documentation, the number of persons in attendance per agency, the topics reviewed, any applicable recommendations for improvement and the status of its efforts to continue to adopt the principles of PERI.

3. **Meter Relocation**

The Company will file a petition for declaratory ruling within three months of the Commission's Order approving this Joint Proposal to determine, when a utility moves an indoor meter outside, if any work done on the gas piping up to the outlet of the existing indoor gas meter is subject to the Public Service Law or the local municipal plumbing code prior to the new outdoor gas meter being installed and the gas service being

[67] For a description of PERI, see https://www.phmsa.dot.gov/pipeline/peri/peri-faqs.

reactivated. The Company will maintain existing tariff exemptions for meter relocations and will continue annual reporting, subject to the results of the petition for declaratory ruling.

The annual reporting will include the following: 1) the number of meters relocated outside; 2) the number of meters left inside; and 3) of the meters left inside, the number that involved service replacements by installation of a new service line in premises for 1-2 family homes.

The meter relocation refusal fee included in the Gas Tariff will be increased to $255 for 1-3 family homes and $475 for buildings with 4 units or more to cover inside inspection costs that would have otherwise been avoided.

4. Electric Burnouts Affecting Gas Facilities

The Company will report on electric burnouts affecting gas facilities in accordance with the requirements in Case 17-G-0316. The Company will document activities related to electric burnouts affecting gas facilities consistent with the sample table included in Appendix 23. The Company will gather information and identifying additional measures for discussion with Staff to reduce the number of electric burnouts on gas facilities (this would include any research and development efforts).

5. Certified Natural Gas Pilot

Differentiated natural gas is natural gas that, according to the supplier, has undergone assessment by an independent third–party to determine that the gas is produced under specified best practices to mitigate methane emissions. Because independent third parties may issue certificates regarding their assessment, differentiated gas may also be referred to as certified gas. Some definitions of certified differentiated natural gas also include best practices around minimizing other environmental and community impacts, but those elements are not addressed in this Proposal. The Company will implement a pilot program designed to allow for the procurement of certified gas, during the rate period, limited to an annual cost above traditional supplies of $800,000 per year. Procured certified gas will be recovered similarly to other natural gas purchases through the GCF.

The Company will file an annual report each May with the Secretary under Case 22-G-0065, describing the progress of the pilot to date and review the report with Staff during regularly scheduled meetings on gas supply issues.

In addition, the Company agrees to:

a. Limit purchases to those certified as:

    1. Project Canary Trustwell Platinum rating;
    2. MiQ Grade A rating; and/or
    3. OGMP 2.0, Level 5 rating.

b. Include a supplier survey with any RFPs for certified differentiated gas products and use reasonable efforts to obtain responses to the survey.

    1. The survey will request, at a minimum, the following information from each responding supplier:

        a. **Work Practice Standards**:

            1. **Leak detection & repair (LDAR)**: The frequency of instrument-based monitoring for leaks and abnormal emissions at well production facilities, compressor stations, gathering and boosting facilities and transportation pipelines, including at smaller sites; the type of instrument used to detect/monitor leaks; and approximate time for repair of leaks;
            2. **Pneumatic devices**: The number of non-zero-emitting pneumatic devices utilized by the potential provider in its supply chain and a timeline for transition to zero-emitting pneumatic devices;

3. **Venting and flaring**: The annual amount of gas lost to routine venting and flaring in the potential provider's supply chain;
4. **Tank emissions**: The control/capture requirements for tank emissions in the potential provider's supply chain;
5. **Completions**: Measures taken by the potential provider to minimize emissions during well completions;
6. **Liquids unloading**: Measures taken by the potential provider to minimize emissions from liquids unloading;
7. **Compressors**: Emission standards for reciprocating and centrifugal compressors.

b. **Greenhouse Gas Emissions**: Description of supplier efforts to incorporate empirical measurement data into their reporting and efforts to achieve compliance with reporting standards outlined in the Oil and Gas Methane Partnership (OGMP) 2.0 Level 5 standard (available at https://www.ccacoalition.org/en/resources/oil-and-gas-methane-partnership-ogmp-20-framework).

c. **Methane Intensity Information**: Numeric methane intensity of the differentiated gas, calculated (consistent with the calculation methods set forth by the Oil and Gas Climate Initiative) as a percentage representing the volume of methane emissions from the certified gas (mcf) divided by the total certified production from the facility (mcf); the share the certified production represents of the total production portfolio; and the estimated methane intensity of the total portfolio, calculated as a percentage representing the volume of methane emissions divided by the total marketed gas across the potential provider's entire portfolio.

2. The Company will share the proposed survey with the parties in writing before the survey is deployed and parties may provide feedback.
3. To facilitate survey completeness, the survey may include an option for survey respondents to indicate "unknown" or "decline to respond" for each question.

c. The Company will file an annual report with the Secretary under Case 22-G-0065 each May, describing progress of the certified gas pilot project to date. The annual report will contain, at minimum, the following information:

1. Proposed purchase reporting.
2. The total volume of differentiated gas purchased and the funds expended through the pilot for the subject Rate Year and for the total duration of the pilot.

3. The number of suppliers from which the Company purchased certified gas, and the names of all certifiers.
4. The methane emissions intensity of the differentiated gas purchased, the volume of upstream and midstream methane emissions associated with the differentiated gas purchased, and an estimated volume of methane emissions reductions attributed to the purchase of differentiated gas over methane emissions attributed to Con Edison's purchase of normal natural gas.
5. Anonymized responses to the supplier survey (described in subpart (b) above).

6. Renewable Natural Gas ("RNG")

The Company will recover the revenue requirement impact of costs necessary to interconnect local RNG supplies through the MRA, up to cap of $10 million capital over the term of the Gas Rate Plan, and the Company will file to incorporate these costs into base rates in the Company's next gas rate filing.

7. Gas Transition Changes

The Company will modify its Gas Tariff to eliminate the "concurrent connections" language that allows multiple customers seeking to connect to the Company's gas distribution system to pool their installations and avoid connection costs. The Company will modify its procedures to add a requirement that no customer will receive a service determination (also referred to as a "ruling") for natural gas service of any size or for any purpose without first acknowledging in written form that they have been provided information on non-fossil alternatives and that they are aware of climate protection laws and regulations.

Additionally, in the absence of enacted legislation or further Commission action in the Gas Planning proceeding (Case 20-G-0131), the Company may file a petition as described below within twelve months of the Commission's Order approving the Rate

Plan. Among other things, the petition may request a waiver of the Commission's regulations in 16 NYCRR §§ 230.2 and 230.3 to eliminate the following customer incentives currently included in the Company's Gas Tariff to connect to the Company's gas distribution system:

- Providing 100 feet of main <u>and</u> 100 feet of service piping at no cost for residential heating customers seeking to connect to the Company's gas distribution system. Instead, the Company will propose to provide all customers (regardless of customer type or usage) with a combined total of 100 feet of main and/or service, plus the length of service line necessary to reach the edge of the public right-of-way.
- Allowing customers to apply a "revenue test" to avoid paying for piping in excess of the 100-foot allotment. Instead, customers would be required to pay in full for every foot beyond the 100-foot allotment prior to the commencement of the work.

8. <u>Advanced Leak Detection</u>

Using Advanced Leak Detection technology, the Company will survey at least one-third of its distribution system each calendar year and will survey its entire system during the term of the Rate Plan (*i.e.*, by December 31, 2025). The Company will file a report annually with the Secretary under Case 22-G-0065 with the results of its High Emissions Survey program. This report will identify: (1) the miles of pipe surveyed; (2) the number of high emissions leaks[68] and all other leaks identified by the survey; (3) the

[68] "High emissions leaks" are defined as leaks with emission rates of ten standard cubic feet per hour, or greater.

pipe age, pipe material, and methane leak flow rate (*e.g.*, liters per minute) for each high emissions leak; and (4) the estimated methane emission reductions achieved by repairing the high emissions leaks. Con Edison will file its first annual report for RY1 by May 2024 and will file annual reports by May 31 for each subsequent Rate Year (*i.e.*, by May 31, 2025 for RY2 and by May 31, 2026 for RY3). For RY1 only, the Company will convene a stakeholder engagement meeting (no later than October 2023) to review/discuss year-to-date developments related to the Company's Advanced Leak Detection program.

9. <u>Gas Infrastructure Reduction or Replacement Program</u>

Under the Gas Infrastructure Replacement or Reduction program, the Company will consider whether gas main is at the end of the system or has a small number of customers attached that are easy to electrify when completing the assessment for emerging projects to determine if the gas main can be eliminated rather than being replaced.

10. <u>Gas Service Line Replacement Program</u>

When such efforts are feasible, the Company will proactively conduct outreach and educate customers who are planned recipients of a gas service replacement on the benefits of electrification. The Company will also consider delays in associated main replacement work to support and facilitate electrification efforts, as long as there are no adverse safety or operational impacts to doing so.

During the term of the Rate Plan, the Company will attempt to develop NPA projects focused on gas service line replacements under the existing NPA Framework established in Case 19-G-0066. The Company will, no later than the end of RY1, convene a stakeholder engagement meeting to discuss progress related to the Company's efforts to develop NPAs focused on gas service line replacement, including (to the extent applicable) a description of which strategies have been successful, which strategies have not, and what it plans to modify going forward.

11. **Gas Service Line Inspections**

The current tariff language will be amended to reflect that customers will be billed monthly for failing to schedule a service line inspection (instead of a one-time fee) after two attempts by the Company to complete the required inspection, until access is provided. The customer will also be responsible for all costs associated with meter seizure/forced access if the customer continues not to grant access.

M. **Customer Operations Provisions**

1. **Strategic Customer Experience (Strategic CX) Initiative**

The Company will implement the Strategic CX Initiative, a portfolio of investments to continue to facilitate policy goals and drive operational efficiencies. The Company agrees to file reports on the Strategic CX initiative, excluding the New CSS program, with the Secretary under Cases 22-E-0064 and 22-G-0065 no later than 60 days after the end of each calendar quarter. The Company will file separate reports on the New CSS program with the Secretary under Cases 22-E-0064 and 22-G-0065 in the same manner as under Appendix 26 of the 2019 Joint Proposal adopted by the Commission in the 2020 Rate Order. The Strategic CX quarterly report will include information on the status of each program in the initiative, recent activities, costs (including a comparison of budgeted and actual spending and a breakdown between labor and non-labor costs), cost savings/avoidance achieved, non-financial benefits achieved, and projected activities. These quarterly reports will begin 60 days after the end of the first calendar quarter after the Commission's approval of the Company's rate plan and continue until the end of the Rate Plans.

2. New Customer Service System ("New CSS") Testing

The Company will test the New CSS with energy service companies ("ESCOs") as planned and hold meetings with ESCOs monthly, or more frequently as needed, regarding the status of implementation and stabilization. The Company will also coordinate with non-ESCO third parties and have status calls as needed as testing proceeds.

3. Credit Modeling Tool

The Company will track efficiencies and associated cost savings produced by its predictive analytics credit modeling and customer behavior risk scoring tool and file informational reports on these topics at the end of the first calendar quarter following each Rate Year.

4. Outreach and Education

As required by Commission regulations, the Company will develop and provide outreach and education activities, programs, and materials to educate the Company's customers regarding their rights, responsibilities, and available programs and services. Additionally, the Company will expand language offerings in brochures, in-person event materials, direct mail, flyers and print advertising, where feasible within the Outreach and Education budget. These offerings will include Spanish, Russian, Chinese, Korean, Polish, and Bengali based on Company and external data (e.g., census data) regarding language preference in a given community.

The Company will file annually with the Secretary on April 1 a comprehensive Outreach and Education Plan in Cases 22-E-0064 and 22-G-0065, including information on new and continuing programming (e.g., expanded language offerings, At-Risk and Low Income Outreach Plan, Regional Outreach Plans, Energy Affordability Program

Self-Certification Outreach Plan, Commodity Pricing). This report will use a template prescribed by DPS Staff and will include a detailed breakdown of budget to actual expenses.

5. Estimated and Delayed Billing

The Company agrees to create the Estimated and Delayed Billing Metric to measure the percentage of customer bills that have been estimated or delayed longer than 125 days as of the end of each calendar quarter. The numerical targets for this metric and associated negative revenue adjustments are stated in Appendix 24.

The Company will report on a quarterly basis the following information regarding the Company's billing performance, beginning 30 days after the end of the first calendar quarter after implementation of the Company's new billing system.

i) Estimated Bills:

- The number and percentage of actual and estimated bills by account produced during each month of the reporting period.
- The number of meters associated with accounts with actual and estimated bills during each month of the reporting period.
- The sum and percentage of consumption and demand associated with actual and estimated bills produced during each month of the reporting period.
- The number of accounts that, as of the end of the reporting period, last received an actual bill 90-125 days ago, 126-180 days ago, and more than 180 days ago.

ii) Delayed Bills:

- The number and percentage of accounts that have not been billed as of the end of each reporting period.
- The number of meters associated with delayed bills as of the end of each reporting period.

- The sum and percentage of consumption associated with delayed bills as of the end of each reporting period. The Company will review its ability to provide this information for demand as part of post-implementation enhancements of New CSS.

- The number of accounts that, as of the end of the reporting period, last received a bill 90-125 days ago, 126-180 days ago, and more than 180 days ago.

The Company will present these categories of information for the following types of customers:

- Overall Con Edison residential population

- Overall Con Edison commercial population excluding NYPA accounts

- Overall Con Edison NYPA accounts

- Accounts by Service Classification in the Con Edison tariff

- Accounts by Service Classification in the PASNY tariff

- ESCO-supplied accounts (excluding NYPA customers)

- High tension and low-tension accounts (including NYPA customers)

- AMI and legacy meter populations

6. AMI Stabilization and Optimization Reporting

The Company will report quarterly on the following ongoing activities that the Company is undertaking to reduce the incidence of estimated and delayed billing, beginning 30 days after the end of the first calendar quarter following a Commission order approving a rate plan in these proceedings.

- Complete deployment of remaining AMI meters – Exchange non-AMI meters for AMI meters in remaining locations/premises

- Implement new traction billing solution – Implement new billing process for traction meters, which will allow for remaining traction meters to be exchanged with AMI meters

- Resolve issues with installed AMI meters that are not communicating with the AMI network – Replace defective meters and gas modules; install network communication devices in meter banks where necessary to enable meter communications

- Complete AMI network optimization – Complete optimization of three remaining AMI network areas to improve network resiliency

- Resolve issues with non-commissioned meters – Address meters requiring updates in billing and meter systems to proceed with commissioning and communications/automated billing

- Address back-office billing exception backlog – Increase resources (contractor and/or Company employee) as necessary to address billing exceptions that require review

- Optimize delivery of usage/readings to billing system – Make enhancements to billing system process that will enable greater automated billing with actual reads

- Optimize meter reading routes for remaining non-AMI meters of customers who have opted out – Ongoing work to improve the process of reading non-AMI meters

For each of the items above, the Company will update the number of remaining units (e.g., meters with communications issues, non-commissioned meters, network devices installed, billing exceptions) where applicable and report when items are closed. The Company will also identify and discuss new issues that arise to the extent necessary.

7. CDG and Non-CDG VDER Billing and Crediting

Starting September 1, 2023, all value stack customers that have not received complete application of bill credits within two months, as measured from the end of the value stack generator's applicable bill period, shall receive an additional bill credit of $10 per month ("Monthly Credit") for each month in excess of the initial two months until the value stack bill credits are applied in full. Customers who have not received value stack bill credits for at least two months as of June 1, 2023 and who still have not received value stack bill credits as of September 1, 2023 are eligible for the Monthly Credit, and the Company will provide Monthly Credits for any delays retroactive to June 2023. The Monthly Credit is subject to the following conditions:

- Monthly Credits will not offset the value stack credits to which the customer is entitled.
- The cost of Monthly Credits will not be recovered from customers via reconciliation, the revenue decoupling mechanism, deferral, surcharge, or other mechanism.
- The Company will not provide the Monthly Credit to customers in instances where the delay in crediting is caused by the Host not timely providing the Company with an up-to-date subscriber list and/or allocations.
- The Company will create communications for subscribers to inform them that they will be eligible for the Monthly Credit if they have not received complete application of bill credits within the two-month period, and that the Monthly Credits will be provided at the same time the value stack bill credits are provided.
- The Company's agreement to a Monthly Credit in these rate cases shall not be construed as an admission by the Company that such a customer compensation requirement is a proper remedy for customer billing issues. Moreover, the Company's agreement shall not be cited as the Company's position in Cases 14-M-0224, 15-E-0082, and 19-0463 or any other proceeding. However, no Party shall be precluded from asserting in any

other proceeding that the Commission should continue to apply this relief notwithstanding any other action the Commission may take in such proceeding.

- Unless otherwise ordered by the Commission, the Monthly Credit requirement will end if the Commission adopts a statewide negative revenue adjustment and/or customer compensation requirement for CDG and/or VDER billing and crediting performance (e.g., in Cases 14-M-0224, 15-E-0082, 19-0463).

The Company will report on a quarterly basis, 30 days after the end of each calendar quarter, the following information regarding the Company's VDER billing and crediting performance, displaying the metrics for each of the prior six months.

- For both the overall Con Edison CDG population and the Con Edison CDG Net Crediting population:
  - The total number of CDG projects each month of the reporting period
  - The number of CDG projects for which the Company generated credits each month of the reporting period
  - The total number of CDG subscribers each month of the reporting period
  - The number of Energy Affordability Program (EAP) and non-EAP CDG subscribers each month of the reporting period
  - The number of CDG subscribers who had a credit applied to their bill each month of the reporting period
  - The total dollar value of CDG credits generated each month of the reporting period
  - For the entire reporting period, the percentage of credits applied to subscribers within two months of being allocated

- For the entire reporting period, the total number of CDG subscribers who received a Monthly Credit

- For the Non-CDG VDER population:
  - The number of non-CDG VDER projects each month of the reporting period
  - The number of non-CDG VDER projects that generated a credit each month of the reporting period
  - The total dollar value of non-CDG VDER credits generated each month of the reporting period
  - For the entire reporting period, the percentage of non-CDG VDER credits applied to accounts within two months of being allocated
  - For the entire reporting period, the total number of non-CDG VDER participants who received a Monthly Credit

The quarterly reporting requirement will end if the Commission adopts statewide CDG and/or VDER billing and crediting performance metrics and reporting requirements (e.g., in Cases 14-M-0224, 15-E-0082, 19-0463).

8. <u>Customer Service Performance Mechanism</u>

The Company's Customer Service Performance Mechanism ("CSPM") for the term of these rate plans will measure performance in the areas of Customer Complaints, Emergency Interaction Surveys, Non-Emergency Interaction Surveys, and Call Answer Rate. The specific targets and negative revenue adjustments for this mechanism are stated in Appendix 21.

The Outage Notification Incentive Mechanism will continue as described in Appendix 21, unless otherwise directed by the Commission.

9. <u>Terminations/Uncollectibles/Arrears Metric</u>

In light of the COVID-19 pandemic and Chapters 108 of the Laws of New York of 2020 and 106 of the Laws of New York of 2021, which amended Public Service Law

§ 32 and imposed moratoriums on terminations of service for residential and eligible small business customers, the Company's existing termination/uncollectible/arrears metric shall be suspended for the term of the Rate Plans. Reconsideration of the pause on the metric will be addressed in the next rate proceedings.

10. Weather-Related Customer Protections

The Company will continue to implement, with some modifications, the following cold weather protections covering the Cold Weather Period from November 1 to April 15 based on previous agreements made by the Company in annual correspondence with the Department of Public Service:

- Con Edison customers can utilize a HEAP payment for service restoration when service is turned off for non-payment during the Cold Weather Period.
- Con Edison will grant a payment agreement upon a customer's request, utilizing the HEAP payment as a down payment.
- Con Edison will not terminate service to residential customers on days when the forecasted high temperature, factoring in wind chill, will not exceed 32 degrees, regardless of whether the day falls within the Cold Weather Period.
- Con Edison will not turn off known elderly, blind, and disabled customers during the Cold Weather Period.

The Company will suspend service termination for non-payment ("TONP") for residential customers during certain heat events as follows:

- On days where the heat index is forecasted by the National Weather Service to reach 90 degrees or higher.
- One calendar day before days where the heat index is forecasted by the National Weather Service to reach 90 degrees or higher.
- If the actual heat index reaches 90 degrees or higher on a given day, the Company will suspend residential TONPs on the following two calendar days.

The Company will add language to its residential disconnection notices informing customers of the weather protections listed above. The Company will also include information about protections for customers using supplemental heating equipment in the annual rights and responsibilities for residential and religious customers and on its website.

11. <u>AMI Opt-Outs</u>

The Company will modify its AMI Opt-out Tariffs to clarify that opt-out customers are not subject to the meter reading fee for months where the Company does not attempt a manual meter reading. This modification is not intended to change the Company's obligation to attempt to read customer meters.

12. <u>Mandatory Hourly Pricing</u>

The Company will reduce the mandatory supply hourly pricing threshold covered by Rider M of PSC Tariff No. 10 from 500 kW to 300 kW on September 1, 2024. The tariff changes necessary to effectuate this reduction will be included in the Company's Rate Year 2 compliance filing.

13. <u>Additional Customer Operations Quarterly Reporting</u>

The Company will continue to file with the Secretary the following quarterly reports that were adopted by the Commission in the 2020 Rate Order: the Payment and Meter Access Report and the Same-day Electric Service Reconnect Report. The Company will file these quarterly reports 30 days after the end of each reporting period.

N. <u>Electric and Gas Energy Affordability Program (EAP)</u>

The Company's Electric and Gas EAP consists of two components. First, during the terms of the Rate Plans, and continuing thereafter unless and until changed by the Commission, the Company will provide a discount to eligible and enrolled low-income residential customers. Second, during the terms of the Rate Plans, the Company will waive reconnection fees for low-income customers.

The target cost of the discount component of the Electric EAP is $166.3 million per Rate Year and the target cost of the discount component of the Gas EAP is $35.8 million per Rate Year. The programs have also been designed to recover up to $1,662,592 in electric reconnection fee waiver costs per year and up to $75,000 in gas reconnection fee waiver costs per year.

1. **Electric and Gas EAP Customer Qualification**

To qualify for the EAP ("Qualifying Customers"), an Electric SC 1 customer[69] or Gas SC 1 or SC 3 customer must (a) be enrolled in the Utility Guarantee ("UG") or Direct Vendor ("DV") Program; or (b) be receiving benefits under any of the following governmental assistance programs: Supplemental Security Income ("SSI"), Temporary Assistance to Needy Persons/Families ("TANF"), Safety Net Assistance, Medicaid, Supplemental Nutrition Assistance Program, Federal Public Housing Assistance, Veterans Pension and Survivors Benefits, Lifeline Telephone Service Program, Bureau of Indian Affairs General Assistance, Tribal Head Start, Tribal TANF, Food Distribution Program on Indian Reservation; or (c) have received a HEAP grant in the preceding twelve (12) months ("Qualifying Programs"). Customers participating in the EAP at the time these Rate Plans become effective will not be required to re-enroll in the EAP described herein.

[69] The Company will correct Rider S in the electric tariff to indicate that customers on SC 1 Rates I, II, III and IV are all eligible to participate in the EAP.

2. **Customer Enrollment**

Qualifying Customers may enroll or be enrolled in the EAP as follows:

First, the Company will continue its existing enrollment procedure for UG and DV customers by the New York City Human Resources Administration ("HRA") and the Westchester County Department of Social Services ("DSS") (each an "Agency" and together the "Agencies"). The Agencies can use a Company web application or submit a paper application to enroll a customer on UG or DV. Upon receipt of the electronic or paper application, the Company will update its customer records to indicate that the customer is enrolled in the EAP.

Second, the Company will continue its existing enrollment procedure for HEAP recipients whereby the Company enrolls a customer in the EAP when it receives a payment associated with a HEAP grant for that customer.

Third, the Company will continue its existing procedure to enroll individual customers upon (a) individual customer application[70] with appropriate documentation and/or (b) receipt of notification from an Agency of eligibility through any qualifying program. In these cases, the Company will manually update its customer records to indicate that the customer is enrolled in the EAP.

Finally, on January 1, April 1, July 1 and October 1 of each Rate Year, the Company will initiate a quarterly reconciliation of Company and Agency records ("file match") by providing the Agencies with files of all SC 1 electric residential customers and SC 1 and SC 3 gas residential customers for the Agencies to compare with their

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[70] The application referenced in this Joint Proposal is available on the Company's website at http://www.coned.com/billhelp and consistent with the Commission's requirements in the 2021 EAP Order.

records of recipients of benefits under Qualifying Programs for which they maintain records and advise as to whether the customer(s) qualify for the EAP. By each March 1, June 1, September 1 and December 1 during the Rate Plans, the Agencies will try to provide the Company with the results of a reconciliation of Con Edison's records with the Agencies' records. For purposes of this procedure, reconciliation means that each Agency will identify those customers on the list provided by the Company that are then participating in any of the Qualifying Programs, except SSI and Medicaid.[71] The Company will take prompt action to enroll or de-enroll customers based on the data provided by the Agencies within thirty (30) days after receiving the data from the Agencies, whether or not it receives such data by the due dates indicated above. The Company will not be liable for discounts that are, or are not, applied to customers' accounts if Agency data is incorrect or not received on schedule.

The Company agrees to develop internal controls for Company management to be notified of completed EAP file matches each quarter. The Company will provide updates on file matches between the Agencies and the Company to the EAP Working Group. Additionally, to facilitate transparency about the file match process among parties to this proceeding, the Company will include in its monthly EAP reports the date(s) that the Company processed the most recent quarterly agency match results from the Agencies.

If the Company concludes at any time that the file match process is impracticable, or one or both of the Agencies imposes conditions on the process that impose on Con

[71] If, during the term of the Rate Plans, the Agencies receive State or Federal authorization to resume including Medicaid in the file match, the Agencies will begin including Medicaid as soon as practicable in subsequent file matches.

Edison more than *de minimis* additional administrative costs, the Company will notify the parties of this circumstance. The Company, Staff, and the Agencies will work to develop, to the extent necessary, an alternative means to efficiently and effectively identify and enroll Qualifying Customers. If an alternative method is developed, the Company will notify all the parties that an alternative method will be used and will explain the mechanics of the alternative method.

The Company will contribute up to $150,000 in each of the calendar years 2023, 2024 and 2025 toward the Agencies' mailing costs to facilitate the file matches. The Company will not recover this amount from customers. The Company's contribution will be applied to the Agencies' actual mailing costs. The Agencies will absorb their respective costs, if any, in excess of the $150,000 provided herein.

3. <u>Electric and Gas EAP Discounts</u>

This Proposal is designed to implement the requirements of the Orders[72] issued in Case 14-M-0565, except where noted below.

The Company will continue its practice of tiered discount levels in compliance with the Low Income Orders. Tier 1 will include customers enrolled in the EAP by virtue of receiving benefits under any of the following governmental assistance programs: SSI, TANF, Safety Net Assistance, Medicaid, Supplemental Nutrition

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[72] Case 14-M-0565, *Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers*, Order Adopting Low Income Program Modifications and Directing Utility Filings (issued May 20, 2016); Order Approving Implementation Plans With Modifications (issued February 17, 2017); Order Granting in Part and Denying in Part Requests for Reconsideration and Petitions for Rehearing (issued February 17, 2017); and Order Adopting Energy Affordability Policy Modifications and Directing Utility Filings (issued August 12, 2021) (the "August 2021 EAP Order") (collectively, the "Generic Affordability Proceeding" and "Low Income Orders").

Assistance Program, Federal Public Housing Assistance, Veterans Pension and Survivors Benefits, Lifeline Telephone Service Program, Bureau of Indian Affairs General Assistance, Tribal Head Start, Tribal TANF, and Food Distribution Program on Indian Reservations; or have received a standard HEAP grant in the preceding twelve (12) months. Tier 2 will include customers that have received a standard HEAP grant in the preceding twelve (12) months with one adder. Tier 3 will include customers that have received a standard HEAP grant in the preceding twelve (12) months with two adders. Tier 4 customers are customers enrolled in the EAP by virtue of being enrolled in a DV or UG Program.

As directed in the Commission's August 2021 EAP Order, the Company will update its EAP discounts following a rate order in Cases 22-E-0064 and 22-G-0065, and file new discount amounts via tariff statements as part of its Rate Year 1 compliance filing. Discounts will be further adjusted via tariff statements filed by November 1 of each Rate Year in Case 14-M-0565 to be effective December 1 of each Rate Year, as required by the August 2021 EAP Order.

4. <u>No Limit on the Number of Participating Customers</u>

At any time during the terms of the Rate Plans, the number of customers participating in the EAP may be more or less than the estimated numbers of customers assumed for purposes of establishing the discount target costs. All Qualifying Customers, without limit, will be accepted into the program.

5. <u>Reconnection Fee Waivers</u>

Effective January 1, 2023, the Company will waive its electric and gas service reconnection fees for low-income customers on a first come, first serve basis up to a target cost of $1,662,592 for each year of the Electric Rate Plan and $75,000 for each year of the Gas Rate Plan.

The Company's tariff will state that each fee waiver program will end once the cost of these programs equals the target cost for each of the Rate Years. The Company will notify the parties if it projects that the target cost for electric and/or gas reconnection fee waivers will be reached during any Rate Year. The Company will monitor reconnection fee waivers and use this information to determine whether it is appropriate to eliminate the fee waiver in the next rate case, and will include this information in the annual EAP filing.

6. Budget Billing

Consistent with the Low Income Orders, the Company will continue automatically enrolling customers participating in the EAP into the Company's budget billing program (also referred to as the "levelized payment plan") on an opt-out basis. Customers enrolled in the EAP that are in arrears or in Tier 4 will receive an opt-out budget billing notice when their arrears balance is paid in full, or if they enter into a deferred payment agreement with the Company, provided that they are still enrolled in the EAP at that time. Once enrolled in the budget billing program, customers can end their participation at any time.

7. Cost Recovery

The programs described in this section will be implemented in a manner that is revenue and earnings neutral to the Company.

a. Electric

All under- and over-recoveries associated with the actual cost of electric low-income discounts and the waiver of reconnection fees will be passed through the RDM to all customers subject to the RDM for the Electric EAP. If the Electric EAP continues beyond the term of the Electric Rate Plan, but the RDM as currently structured does not, continuation of the EAP will be contingent upon the implementation of an equivalent mechanism that provides for full recovery of the low-income customer charges/discounts and reconnection fee waivers.

b. Gas

All under- and over-recoveries associated with the actual cost of gas low-income discounts and the waiver of reconnection fees will be passed through the MRA to all firm customers. Any reconnection fees waived will be recovered through the MRA at the end of each Rate Year. If the Gas EAP continues beyond the term of the Gas Rate Plan, but the MRA as currently structured does not, continuation of the EAP will be contingent upon the implementation of an equivalent mechanism that provides for full recovery of the low-income customer charges/discounts and reconnection fee waivers.

8. <u>Reporting Requirements</u>

a. Annual EAP Report

As directed in the August 2021 EAP Order, on January 30 of each Rate Year the Company will file an Annual EAP Report with the Secretary, with copies by email to parties to Cases 22-E-0064, 22-G-0065, 14-M-0565, and 20-M-0266. This report will contain information consistent with the requirements of the Low Income Orders.

b. Monthly EAP Report

The Company will file a report on the Electric and Gas EAP for each calendar month as directed in the June 2022 Order Authorizing Phase I Arrears Reduction Program in Cases 14-M-0565, 20-M-0266, and 20-M-0479. The monthly report will be filed with the Secretary in Cases 22-E-0064, 22-G-0065, 14-M-0565, and 20-M-0266 within thirty (30) days after the end of each calendar month. This report replaces the EAP report previously filed quarterly.

O. Retail Access Issues

1. Retail Access System Issues

The Company agrees to establish the following process to communicate with ESCOs operating in the Company's service territory when the Company experiences an internal system issue (i.e., an internal system or processing issue which impacts exchange of information or processing of data; excludes issues that affect both ESCO and non-ESCO customers, such as metering and estimated/delayed billing) that impacts ESCO Retail Access transactions.

a. Within 30 days of a Commission Order approving this Proposal, the Company will convene a meeting with ESCOs and interested stakeholders to compile a list of internal system issues, as defined above, as of the date of the meeting. The Company will continue such meeting on subsequent days, if necessary, until all issues have been identified. The Company will circulate the list of issues within five business days after the last meeting day to all participants in the meeting and all ESCOs. For the Company to fully understand an issue or the extent of an issue, it may be necessary for ESCOs or other stakeholders to convey confidential customer account information. To accommodate this, the Company will establish a point(s) of contact to whom such information should be conveyed.

b. Within five business days of the Company becoming aware of any subsequent internal system issues, it will email a newsletter to all ESCOs and post information on the Company website. This newsletter will contain information – known to the Company at the time of notification – on the scope, scale, and impact of the system issue, to the extent known, and steps the Company has taken or may take to correct the issue and notify customers (if necessary).

c. To the extent issues identified in parts (a) and (b) above are not resolved within 30 days of the Company becoming aware of such issues, they will be added to a report of outstanding issues. This report will be circulated monthly and will include all open issues, an explanation of progress toward resolution, and expected timing of resolution. Each monthly report will also indicate which issues have been resolved and will therefore be removed from subsequent reports unless, before the issuance of the next report, the Company becomes aware that the issue remains unresolved for one or more ESCOs. The Company intends where practicable to resolve issues identified in parts (a) and (b) within 120 days of the Company becoming aware of such issues. The Company notes that there may be situations where it is not able to resolve issues within this timeframe. The Company will continue to report on all issues until resolved in the monthly report described above.

d. To provide a regular forum for ongoing communications, the Company will hold quarterly meetings with ESCOs and other interested stakeholders to discuss, among other things, internal system issues, billing issues, and ongoing and proposed IT changes that will affect retail access and customer billing.

2. **Retail Access System Replacement Project**

In connection with the Company's replacement of its Retail Access Information System, the Company will implement the following steps during the rate plan:

- Hold one meeting in Q1 2024 to gather initial stakeholder input
- Engage in stakeholder outreach in Q2 2024 to gather input on:
  - The Company's draft business plan (which will be shared with ESCOs prior to stakeholder outreach)
  - Testing and implementation milestones that work for ESCOs and Electronic Data Interchange ("EDI") providers
  - Test plan and communication protocols for a successful testing process
- Refine business plan based on stakeholder feedback and file with the Commission by the end of Q3 2024
- The Company's business plan will include, but will not be limited to, the following information:
  - Costs to be saved or avoided as a result of the system replacement
  - Process for supporting ESCOs during implementation and stabilization periods

3. **Improving Communications and Transparency**

The Company will provide regular updates to ESCOs via the Retail Access newsletter that is emailed to all ESCOs and posted on the Company's website. Day-to-day communications with ESCOs will continue outside of the newsletter process. The Company will endeavor to respond to simple inquiries – i.e., inquiries that do not require investigation or detailed review – made to retailaccess@coned.com within three business days. If the Company requires additional time to respond to inquiries, the Company will notify the ESCO that additional time is necessary.

4. **Annual Electric Marketer Meeting**

The Company will hold an annual meeting with ESCOs and other third parties to answer questions on the electric retail choice program. Four weeks before the meeting, the Company will solicit comments, suggestions on topics to be covered, and questions from ESCOs using the Company's distribution lists for gas and electric ESCOs. The Company will provide a summary of the agenda items discussed at the annual meeting in its Newsletter.

5. **Updated Reference Materials for CSRs**

The Company will provide annual updated reference materials for customer service representatives ("CSRs") to update them on retail access developments, including changes in rates charged ESCO customers and changes in the Commission's Uniform Business Practices. The Company will provide communications to remind CSRs of the procedure to follow when ESCO customers call with questions about their bill. ESCOs can at any time reach out to the Company via established channels to provide suggestions for materials or information that should be available to CSRs.

P. **Disadvantaged Communities Report**

1. **Annual Report**. Con Edison will file a report with the Secretary under Cases 22-E-0064 and 22-G-0065 on the data enumerated in subsection (5) below by May 31 of the year following each rate year.
2. **Contents of the Report**. Each report will include a narrative discussion of the data reported on, including how the Company tracked and collected the data, any assumptions relied on in the report and, for energy efficiency and building electrification programs marketed by the Company, descriptions of the Company's efforts to reach disadvantaged communities and low income

customers, including specific program implementation and outreach strategies targeted towards such populations; samples of communication materials directed towards customers in disadvantaged communities; and descriptions of Company engagement and partnerships with community-based organizations that serve disadvantaged communities.

3. **Definition of Disadvantaged Communities.** The Company will use the Department of Environmental Conservation disadvantaged community maps in effect for the Rate Year that is the subject of the report. For reporting related to the Electric Vehicle Make-Ready Program,[73] the Company will apply the disadvantaged communities' criteria required by the Commission for the program at the time of reporting and will not include a one-mile buffer zone around disadvantaged communities qualified census tracts.

4. **Stakeholder meeting**. Within 60 days of filing the report, the Company will convene a meeting for interested stakeholders to discuss and provide feedback on the report and the Company's activities as discussed therein.

5. **Data Covered in the Report**. The report will include the data set forth in this subsection.

    a. **Clean Energy Spending**. For each of its energy efficiency and building electrification programs, including new programs instituted during the period covered by this Proposal, Con Edison will report the:

[73] The Company will use the DAC definition reporting requirements under the July 2020 Make Ready Order in Case 18-E-0138 until such a time as there is a consistent DAC definition between that Order and the CLCPA definition.

i. Total number of incentive dollars spent;

ii. Total number of incentive dollars spent in disadvantaged communities;

iii. Total energy savings achieved;

iv. Total energy savings achieved in disadvantaged communities;

v. Total number participants

vi. Total number of participants in disadvantaged communities

vii. Average savings and incentives by participant

viii. Average savings and incentives by participant in disadvantaged communities

ix. Total installations by measure category (i.e., System Energy Efficiency Plan ("SEEP") and Clean Heat Annual Report categories); and

x. Total installations by measure category in disadvantaged communities

If Con Edison launches a new energy efficiency or building electrification program that is not available to customers in disadvantaged communities, Con Edison will explain in the report covering the year during which the program was launched the reasons the program is not available to customers in disadvantaged communities.

b. Electric Vehicle Make Ready Program. For light-duty and medium-and-heavy duty vehicles, Con Edison will report the:

i. Total amount of Make-Ready incentive funding spent;

ii. Total amount of Make-Ready incentive funding spent in disadvantaged communities;

iii. Total number of charging plugs installed under the Make-Ready program; and

iv. Total number of charging plugs under the Make-Ready program installed in disadvantaged communities

c. **<u>Demand Response</u>**. For each Con Edison demand response program, the Company will report:

i. Total program participants;

ii. Total program participants in disadvantaged communities;

iii. Total MW committed and delivered; and

iv. Total MW committed and delivered by participants in disadvantaged communities and low-income customers participating in the Company's energy affordability program.

d. **<u>Distributed Energy Resources</u>**. For all distribution-interconnected projects, including community distributed generation, remote crediting, and net metered projects, Con Edison will report:

i. Total number of projects;

ii. Total number of projects in disadvantaged communities;

iii. Total MW installed; and

iv. Total MW installed in disadvantaged communities.

For all community distributed generation and remote crediting projects, Con Edison will report:

i. Total number of subscribers;

ii. Total number of subscribers in disadvantaged communities; and

iii. Total number of subscribers who are low-income customers participating in the Company's energy affordability program.

For all net metering projects, Con Edison will report:

i. Total number of projects;

ii. Total number of projects installed for low-income customers;

iii. Total number of projects in disadvantaged communities;

iv. Total MW installed;

v. Total MW installed for low-income customers; and

vi. Total MW installed in disadvantaged communities.

e. **Strategic Electric Capital Investments**. Con Edison will report its discretionary capital investments in the following capital categories: programs:

i. System Expansion

ii. Risk Reduction

iii. Environmental

iv. Safety and Security

f. **Customer Outages**. Con Edison will report all outages as follows:

i. Excludable and Non-Excludable outages system-wide, network and non-network;

ii. Excludable and Non-Excludable outages by network and non-network load area; and

iii. Excludable and Non-Excludable outages by customers in disadvantaged communities and by customers in non-disadvantaged communities

"Excludable outages" are outages excluded from the Company's SAIFI and CAIDI metrics. "Non-excludable outages" are outages that count against the Company's SAIFI and CAIDI metrics.

g. **Main Replacement Program**. Con Edison will report:

i. Total footage of leak prone pipe retired system-wide, on a borough or county basis;

ii. Total footage of leak prone pipe retired in disadvantaged communities, on a borough or county basis;

iii. Total footage of leak prone pipe replaced system-wide, on a borough or county basis;

iv. Total footage of leak prone pipe replaced in disadvantaged communities, on a borough or county basis;

v. Total emissions reductions system-wide due to leak prone pipe replacement and retirement (calculated using the EPA Methane Challenge methodology).

vi. Total emissions reductions in disadvantaged communities due to leak prone pipe replacement and retirement (calculated using the EPA Methane Challenge methodology).

For items (i) and (ii) replacement and retirement will be tracked separately.

h. **Leak Repairs**. Con Edison will report:

i. Total leaks repaired system-wide, on a borough or county basis; and

ii. Total leaks repaired in disadvantaged communities, on a borough or county basis;

i. **Clean Energy Jobs**. Con Edison will report on its efforts to train residents of disadvantaged communities for clean energy jobs at Con Edison, or if available, for other workforce development programs that the Company may work on with other organizations. Specifically, the Company will report:

i. Type of clean energy workforce development program if other than the Clean Energy Academy;

ii. Number of programs the Company offers or participates in if other than the Clean Energy Academy and details on the program;

iii. Location of the programs;

iv. Number of students enrolled in each program;

v. Number of students that graduate from each program;

vi. Number of jobs placed as a result of the program;

vii. Number of graduate students from each program the Company has hired, and the type of jobs at Con Edison for which they were hired;

viii. Whether or not the Con Edison jobs and hires from the program are in the clean energy field; and

ix. Total number of hires at Con Edison from the program who resided in a disadvantaged community at the time of enrollment in the program.

j. Customer Operations Data. Con Edison will report:

i. Promotion, education and outreach of the EAP program in disadvantaged communities and non-disadvantaged communities

ii. Total amount of residential electric and gas usage in disadvantaged communities and non-disadvantaged communities

iii. Average electric and gas usage per residential customer in disadvantaged communities and non-disadvantaged communities

iv. Number of unpaid residential accounts that are 60 to 90 days overdue in disadvantaged communities and non-disadvantaged communities

v. Dollar value of unpaid residential accounts 60 to 90 days overdue in disadvantaged communities and non-disadvantaged communities

vi. Number of unpaid residential accounts that are 90 or more days overdue in disadvantaged communities and non-disadvantaged communities

vii. Dollar value of unpaid residential accounts that are 90 or more days overdue in disadvantaged communities and non-disadvantaged communities

viii. Number of residential service disconnections for non-payment in disadvantaged communities and non-disadvantaged communities

ix. Number of residential service restorations due to payment in disadvantaged communities and non-disadvantaged communities

x. Number of residential customers with DPAs in in disadvantaged communities and non-disadvantaged communities

xi. Dollar value of residential DPAs in disadvantaged communities and non-disadvantaged communities

xii. Number of customers enrolled in the EAP in disadvantaged communities and non-disadvantaged communities

xiii. Amount expended for electric and gas EAP discounts in disadvantaged communities and non-disadvantaged communities

xiv. Total number of residential customers in disadvantaged communities and non-disadvantaged communities

For items that are cumulative in nature, i.e., nos. (i)-(iii), (viii), (ix) and (xiii), the report will reflect data for the rate year. For items that are expressed as a point in time, i.e., nos. (iv)-(vii), (x)-(xii), and (xiv), the report will reflect data as of a point in time in December of the just-concluded Rate Year. The Company will begin collecting data for the above dataset in April 2023. Data for RY1 will therefore include April – December data only. For RY2 and RY3, the Company's reports will cover the entire year.

Reporting on item (i) will include a narrative description of outreach activities to promote the EAP, sample materials, and campaign statistics (e.g., number of customers touched in disadvantaged communities).

For items (ii)-(xiv), the Company will apply disadvantaged community criteria to customer account data.

6. **Effect of Subsequent Commission Order**. If in a different proceeding the Commission orders Con Edison to report on data covered in this section, the form and content of the reporting required by the Commission in that proceeding will supersede the reporting requirement in this Proposal.

Q. Miscellaneous Provisions

1. Continuation of Provisions; Rate Changes; Reservation of Authority

Unless otherwise expressly provided herein, the provisions of this Proposal will continue after RY3 for electric and for gas, unless and until electric or gas base delivery service rates, respectively, are changed by Commission order. For any provision subject to RY1, RY2 and RY3 targets, the RY3 target shall be applicable to any additional Rate Year(s).

Nothing herein precludes Con Edison from filing a new general electric rate case or a new general gas rate case prior to January 1, 2026, for rates to be effective on or after January 1, 2026.

Changes to the Company's base delivery service rates during the term of the Electric or Gas Rate Plan will not be permitted, except for (a) changes provided for in this Proposal; and (b) subject to Commission approval, changes as a result of the following circumstances:

a. A minor change in any individual base delivery service rate or rates whose revenue effect is *de minimis*, or essentially offset by associated changes within the same class or for other classes, provided however that the base electric delivery service rates applicable to the NYPA classes will not be increased in total. It is understood that, over time, such minor changes may be necessary and that they may continue to be sought during the term of the Electric and Gas Rate Plans, provided they will not result in a change (other than a *de minimis* change) in the revenues that Con Edison's base delivery service rates are designed to produce overall before such changes.

b. If a circumstance occurs which in the judgment of the Commission so threatens Con Edison's economic viability or ability to maintain safe, reliable and adequate service as to warrant an exception to this undertaking, Con Edison will be permitted to file for an increase in base delivery service rates at any time under such circumstances.

c. The Signatory Parties recognize that the Commission reserves the authority to act on the level of Con Edison's electric and/or gas rates in the event of unforeseen circumstances that, in the Commission's opinion, have such a substantial impact on the range of earnings levels or equity costs envisioned by these Rate Plans as to render Con Edison's electric and/or gas rates unreasonable or insufficient for the provision of safe and adequate service or just and reasonable rates.

d. Nothing herein will preclude any Signatory Party from petitioning the Commission for approval of new services, the implementation of new service classifications and/or cancellation of existing service classifications, or rate design or revenue allocation changes within or among the non-NYPA service classes, which are not contrary to the agreed upon terms and conditions set forth herein. All changes will be implemented on a revenue neutral and earnings neutral basis.

e. The Signatory Parties reserve the right to oppose any filings made under this section.

2. Legislative, Regulatory and Related Actions

a. If at any time the federal government, State of New York, the City of New York and/or other local governments make changes in their tax laws (other than local property taxes, which will be reconciled in accordance with Section E.1) that result in a change in the Company's costs[74] in an annual amount, calculated and applied separately for electric and gas, equating to ten (10) basis points of return on common

[74] Costs in this context include current and deferred tax impacts.

equity or more,[75] and if the Commission does not address the treatment (e.g., through a surcharge or credit) of any such tax law changes, including any new, additional, repealed or reduced federal, State, City of New York or local government taxes, fees or levies, Con Edison will defer on its books of account the full change in expense and reflect such deferral as credits or debits to customers in the next base rate change subject to any final Commission determination in a generic proceeding prescribing utility implementation of a specific tax enactment, including a Commission determination of any Company-specific compliance filing made in connection therewith.[76]

b. If at any time any other law, rule, regulation, order, or other requirement or interpretation (or any repeal or amendment of an existing rule, regulation, order or other requirement) of the federal, State, or local government or courts, including a requirement that Con Edison refund its tax exempt debt, results in a change in Con Edison's annual electric or gas revenues, costs or expenses not anticipated in the forecasts and assumptions on which the rates in this Proposal are based in an annual amount, calculated and applied separately for electric and gas, equating to ten (10) basis points of return on common equity or more,[77] Con Edison will defer on its books of account the

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[75] For electric, such amounts are estimated to be $17.535 million in RY1, $18.766 million in RY2 and $19.731 million in RY3. For gas, such amounts are estimated to be $6.453 million in RY1, $6.975 million in RY2 and $7.400 million in RY3. During the Electric and Gas Rate Plans, basis points will be calculated on actual average rate base at the end of each Rate Year.

[76] All Signatory Parties reserve all of their administrative and judicial rights in connection with such generic proceeding(s).

[77] For purposes of this Proposal, the ten (10) basis points return on common equity will be applied on a case-by-case basis and not to the aggregate impact of changes of two or more laws, rules, etc.; provided, however, that this threshold will be applied on a Rate Year basis to the incremental aggregate impact of all contemporaneous changes (*e.g.*, changes made as a package even if they occur or are implemented over a period of months) affecting a particular subject area and not to the individual provisions of the new law, rule, etc.

full change in expense or revenues, with any such deferrals as credits or debits to be reflected in the next base rate case or in a manner to be determined by the Commission.

c. The Company will retain the right to petition the Commission for authorization to defer on its books of account extraordinary expenditures not otherwise addressed by this Proposal.

3. **Financial Protections**

Annually, the Company will provide Staff with the five-year earnings forecast for CEI and each direct subsidiary of CEI (e.g., Con Edison Company of New York, Inc., Orange and Rockland Utilities, Inc., Con Edison Transmission, Inc. and Con Edison Clean Energy Businesses, Inc.). The forecast will include the income statement, balance sheet and cash flow statements for CEI and each above-listed entity. The Company will submit the forecast to Staff no later than thirty (30) calendar days after it is reviewed by the Finance Committee of CEI's Board of Directors. The Company will update Staff when there are material changes to the five-year forecast.

After the completion of the Company's annual audit by its external auditors, the Company will provide Staff with actual financial statements (*i.e.,* income statement, balance sheet, cash flow statement and consolidating adjustments) for CEI and each direct subsidiary of CEI for the previous year. The Company will submit these statements to Staff no later than thirty (30) calendar days after the completion of the annual audit by its external auditors.

The five-year earnings forecast and actual financial statements will be provided to Staff by filing with the Records Access Officer pursuant to the Commission's trade secret process.

No additional ring-fencing measures will be implemented at this time. The Company will evaluate two metrics at the end of each semi-annual period ending June 30 and December 31. The first metric will calculate whether investments in CEI's non-utility businesses exceed 15 percent of CEI's total consolidated operations as measured by revenues, assets, or cash flow. The second metric will calculate if the ratio of holding company debt (which will measure only direct debt obligations of Consolidated Edison, Inc. and exclude non-recourse financing by non-utility entities) as a percentage of total consolidated debt exceeds 20 percent. The Company will notify the Commission no later than 60 days after the end of a semi-annual period if any of the financial protection metric thresholds are exceeded. Within 60 days of such a notification, the Company will submit a filing providing a ring-fencing plan to insulate the Company, or, in the alternative, demonstrating why additional ring-fencing measures are not necessary at that time.

4. Trade Secret Protection

Nothing in this document prevents Con Edison from seeking trade secret protection under 16 NYCRR Part 6 for all or any part(s) of any document or report filed (or submitted to Staff) in accordance with the Rate Plans or prohibits or restricts any other party from challenging any such request.

5. Provisions Not Separable

The Signatory Parties intend this Proposal to be a complete resolution of all the issues in Cases 22-E-0064 and 22-G-0065. It is understood that each provision of this Proposal is in consideration and support of all the other provisions, and expressly conditioned upon acceptance by the Commission. Except as set forth herein, none of the Signatory Parties is deemed to have approved, agreed to or consented to any principle, methodology or interpretation of law underlying or supposed to underlie any provision herein. Consistent with the Commission's Settlement Guidelines,[78] if the Commission fails to adopt this Proposal according to its terms, then the Signatory Parties to the Proposal will be free to pursue their respective positions in this proceeding without prejudice.

6. Provisions Not Precedent

The terms and provisions of this Proposal apply solely to, and are binding only in, the context of the purposes and results of this Proposal. None of the terms or provisions of this Proposal and none of the positions taken herein by any party may be referred to, cited, or relied upon by any other party in any fashion as precedent or otherwise in any other proceeding before this Commission or any other regulatory agency or before any court of law for any purpose other than furtherance of the purposes, results, and disposition of matters governed by this Proposal.

Concessions made by Signatory Parties on various electric and gas issues do not preclude those parties from addressing such issues in future rate proceedings or in other proceedings.

7. Submission of Proposal

The Signatory Parties agree to submit this Proposal to the Commission and to individually support and request its adoption by the Commission as set forth herein, subject to any reservations expressed by any individual Signatory Party on its signature page. the Joint Proposal will satisfy the requirements of Public Service Law §65(1) that Con Edison provide safe and adequate service at just and reasonable rates.

[78] Opinion 92-2, Settlement Guidelines, Section F(2) (March 24,1992).

8. **Effect of Commission Adoption of Terms of this Proposal**

No provision of this Proposal or the Commission's adoption of the terms of this Proposal shall in any way abrogate or limit the Commission's statutory authority under the Public Service Law. The Parties recognize that any Commission adoption of the terms of this Proposal does not waive the Commission's ongoing rights and responsibilities to enforce its orders and effectuate the goals expressed therein, nor the rights and responsibilities of Staff to conduct investigations or take other actions in furtherance of its duties and responsibilities.

9. **Further Assurances**

The Signatory Parties recognize that certain provisions of this Proposal require that actions be taken in the future to fully effectuate this Proposal. Accordingly, the Signatory Parties agree to cooperate with each other in good faith in taking such actions.

10. **Scope of Provisions**

No term or provision of this Proposal that relates specifically to one or more but not all of electric and gas service, limits any rights of the Company or any party to petition the Commission for any purpose with respect to the service(s) not specified in such term or provision.

11. **Execution**

This Proposal is being executed in counterpart originals and shall be binding on each Signatory Party when the counterparts have been executed.

IN WITNESS WHEREOF, the Signatory Parties hereto have affixed their signatures below as evidence of their agreement to be bound by the provisions of this Proposal.

CONSOLIDATED EDISON COMPANY
OF NEW YORK, INC.

Dated: February 15, 2023

By______________________________
Richard B. Miller, Esq.
Vice President, Energy and Environmental Law

[Signature pages to follow]

NEW YORK STATE DEPARTMENT OF
PUBLIC SERVICE

Dated: February 16, 2023

By: ______________________

Steven J. Kramer, Esq.
Staff Counsel

THE CITY OF NEW YORK

Dated: February 16, 2023

By:
Meera Joshi
Deputy Mayor for Operations

The City of New York is a Signatory Party to the Joint Proposal because of the multiple benefits included in the Joint Proposal for New Yorkers, which will offset, in part, the substantial rate increases and otherwise improve Con Edison's provision of electric and gas service to its customers. While significant savings for New Yorkers were achieved, as compared to Con Edison's original proposal, we remain very concerned about the impact that these major rate increases will have on New York families and small businesses. However, if the City had opted not to sign the Joint Proposal, it would endanger measures advocated for by the City. In particular, the City achieved a number of measures that will increase protections and opportunities for members of frontline communities and low-income customers. These include:

- Significant reductions in rate increases from Con Edison's initial proposal
- Ensuring that the agreement is focused on improving service to New Yorkers as opposed to increasing profits for Con Edison's shareholders
- New prohibitions on service terminations during extreme hot weather, as well as continued prohibitions during extreme cold temperatures
- Continuation of low-income discount programs that seek to limit energy cost burdens to 6%
- Increased outreach in more languages, including Russian, Chinese, Korean, Polish, and Bengali
- Funding for undergrounding of electric infrastructure in areas that have experienced multiple storm-related outages
- Heightened attention to repairing gas leaks expeditiously
- Commitment for a short- and long-term gas footprint reduction plan

While the rate levels in the Joint Proposal constitute a significant reduction from Con Edison's initial requests – approximately 58% lower for electric and 45% lower for gas – and the City secured significant additional commitments from Con Edison, customers will still be burdened by ever-rising utility expenses. Con Edison needs to continue to provide safe, reliable, and resilient service to its customers, and it must take actions to decarbonize and achieve concurrent City and State policy goals to ensure the prosperity of the City for the next 500 years. However, Con Edison must further scrutinize its spending and make efforts to minimize its expenditures and reduce customer impacts. Additionally, the Public Service Commission and the State should consider additional resources for low-income customers, identify alternate forms of funding for certain energy initiatives, and take other actions to minimize costs and ensure that utility bills remain affordable for all customers.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric Revenue Requirement
For The Twelve Months Ending December 31, 2023
($ 000's)

	Rate Year 1 Forecast	Rate Change	Rate Year 1 With Rate Change
Operating revenues			
Sales revenues	$ 8,452,501	$ 442,306	$ 8,894,807
Other operating revenues	211,896	2,300	214,196
Total operating revenues	8,664,397	444,606	9,109,003
Operating expenses			
Purchased power	$ 1,631,698		$ 1,631,698
Operations & maintenance expense	1,737,427	3,008	1,740,435
Depreciation	1,407,703		1,407,703
Regulatory amortization	83,004		83,004
Taxes other than income taxes	2,231,759	13,844	2,245,603
Total operating expenses	7,091,592	16,852	7,108,443
Operating income before income taxes	1,572,805	427,754	2,000,559
New York State income taxes	61,832	27,804	89,636
Federal income taxes	64,746	83,989	148,736
Utility operating income	$ 1,446,228	$ 315,960	$ 1,762,188
Rate Base	$ 26,094,576		$ 26,094,576
Rate of Return	5.54%		6.75%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric Revenue Requirement
For The Twelve Months Ending December 31, 2023 and December 31, 2024
($ 000's)

Operating revenues	Rate Year 1 With Rate Change	Rate Year 2 Revenue/Expense Rate Base Changes	Rate Change	Rate Year 2 With Rate Change
Sales revenues	$ 8,894,807	$ 125,153	$ 517,530	$ 9,537,490
Other operating revenues	214,196	(3,477)	2,691	213,410
Total operating revenues	9,109,003	121,676	520,221	9,750,900
Operating expenses				
Purchased power	1,631,698	$ 22,959		1,654,657
Operations & maintenance expense	1,740,435	73,419	3,519	1,817,373
Depreciation	1,407,703	127,700		1,535,403
Regulatory amortization	83,004	83,800		166,804
Taxes other than income taxes	2,245,603	167,891	16,199	2,429,692
Total operating expenses	7,108,443	475,768	19,718	7,603,929
Operating income before income taxes	2,000,559	(354,092)	500,503	2,146,970
New York State income taxes	89,636	(26,178)	32,533	95,990
Federal income taxes	148,736	(93,309)	98,274	153,700
Utility operating income	$ 1,762,188	$ (234,604)	$ 369,697	$ 1,897,281
Rate Base	$ 26,094,576	1,830,881		$ 27,925,457
Rate of Return	6.75%			6.79%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric Revenue Requirement
For The Twelve Months Ending December 31, 2024 and December 31, 2025
($ 000's)

	Rate Year 2 With Rate Change	Rate Year 3 Revenue/Expense Rate Base Changes	Rate Change	Rate Year 3 With Rate Change
Operating revenues				
Sales revenues	$ 9,537,490	$ 148,694	$ 382,172	$ 10,068,355
Other operating revenues	213,410	(206)	1,987	215,191
Total operating revenues	9,750,900	148,488	384,159	10,283,546
Operating expenses				
Purchased power	1,654,657	$ 25,797		1,680,454
Operations & maintenance expense	1,817,373	(174,968)	2,599	1,645,003
Depreciation	1,535,403	81,002		1,616,405
Regulatory amortization	166,804	71,606		238,410
Taxes other than income taxes	2,429,692	193,532	11,962	2,635,186
Total operating expenses	7,603,929	196,968	14,561	7,815,458
Operating income before income taxes	2,146,970	(48,480)	369,598	2,468,089
New York State income taxes	95,990	(6,464)	24,024	113,549
Federal income taxes	153,700	118,433	72,571	344,704
Utility operating income	$ 1,897,281	$ (160,449)	$ 273,004	$ 2,009,836
Rate Base	$ 27,925,457	1,436,371		$ 29,361,828
Rate of Return	6.79%			6.85%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric Other Operating Revenues
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Miscellaneous Service & Other Revenues					
AMI Opt Out Fees	$ 298	(15)	$ 283	(14)	$ 269
Field Collection	5,103	-	5,103	-	5,103
Meter Recovery	1,491	-	1,491	-	1,491
No Access Charge	4,161	(3,871)	290	-	290
Miscellaneous Service Revenues - 4510	58	-	58	-	58
Transmission of Energy	7,000	-	7,000	-	7,000
Transmission Service Charges (4571)	5,000	-	5,000	-	5,000
Maintenance of Interconnection Facilities	1,062	-	1,062	-	1,062
Excess Distribution Facilities	2,043	-	2,043	-	2,043
Late Payment Charges	46,491	3,342	49,833	2,760	52,593
NYSERDA on-bill recovery financing program	4	-	4	-	4
The Learning Center Services	869	13	882	13	895
Wholesale Distribution Service	715	-	715	-	715
Proceeds from Sales of TCCs	75,000	-	75,000	-	75,000
POR Discount (Revenues from ESCO)	22,235	-	22,235	-	22,235
Substation Operation Services	62	-	62	-	62
Mangement Fees	55	-	55	-	55
Electric Reconnection Fee	86	-	86	-	86
Reconnection Fee Waiver	(1,188)	-	(1,188)	-	(1,188)
DG Project Appication Fees	373	7	380	11	391
Miscellaneous	66	-	66	-	66
Total Miscellaneous Service & Other Revenues	170,985	(524)	170,461	2,770	173,231
Rents					
Rent from Electric Property - 4540	24,743	(265)	24,478	(993)	23,485
Interdepartmental Rents - 4550	17,922	29	17,951	30	17,981
Total Rents	42,665	(236)	42,429	(963)	41,466
Revenue imputation - Cases 09-M-0114 and 09-M-0243	546	(26)	520	(26)	494
Total	546	(26)	520	(26)	494
Total Other Operating Revenue	$ 214,196	$ (786)	$ 213,410	$ 1,782	$ 215,191

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric Operations & Maintenance Expenses
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Fuel and Purchased Power	$ 1,631,698	$ 22,959	$ 1,654,657	$ 25,797	$ 1,680,454
A & G Health Insurance and Capital Overhead	(42,688)	-	(42,688)	-	(42,688)
Advanced Metering Infrastructure	35,258	65	35,323	863	36,185
Bargaining Unit Contract Cost	0	0	0	0	0
Bond Administration & Bank Fees	7,914	190	8,104	170	8,274
Company Labor - Advanced Metering Infrastructure	8,865	1,225	10,090	445	10,535
Company Labor - Central Engineering	4,904	194	5,098	148	5,246
Company Labor - Construction Management	4,579	124	4,703	127	4,830
Company Labor - Corporate & Shared Services	182,710	6,155	188,865	6,452	195,317
Company Labor - Customer Energy Solutions	23,637	2,585	26,222	1,952	28,174
Company Labor - Customer Information System	368	10	378	10	388
Company Labor - Customer Operations	109,706	3,277	112,983	2,747	115,730
Company Labor - Electric Operations	158,341	5,660	164,001	3,010	167,011
Company Labor - Gas Operations	990	27	1,017	27	1,044
Company Labor - Production	20,730	563	21,293	578	21,871
Company Labor - Substation Operations (SSO)	70,817	1,923	72,740	1,974	74,714
Company Labor - System & Transmission Operations (STO)	36,311	986	37,297	1,013	38,310
Corporate & Shared Services	26,671	195	26,866	362	27,229
Corporate Fiscal Expense	3,326	80	3,406	72	3,478
Customer Energy Solutions	11,167	154	11,321	(179)	11,143
Customer Information System	24,053	(3,331)	20,722	(2,494)	18,228
Duplicate Misc. Charge	(11,229)	(269)	(11,498)	(241)	(11,740)
Employee Welfare Expense	139,701	3,353	143,054	3,004	146,058
Environmental Affairs	4,172	100	4,272	90	4,362
ERRP Major Maintenance	6,618	-	6,618	-	6,618
External Audit Services	4,006	96	4,102	86	4,188
Facilities & Field Services	45,828	2,490	48,318	2,831	51,149
Finance & Accounting Operations	8,705	209	8,914	187	9,101
Information Technology	124,585	20,663	145,248	16,700	161,948
Informational Advertising	7,488	594	8,082	475	8,558
Injuries & Damages / Workers Compensation	53,869	1,293	55,162	1,158	56,320
Institutional Dues & Subscription	232	6	237	5	242
Insurance Premium	56,015	1,344	57,359	1,205	58,564
Intercompany Shared Services	(7,162)	(172)	(7,334)	(154)	(7,488)
Ops - Central Engineering	1,078	26	1,104	23	1,127
Ops - Construction Management	1,170	28	1,198	25	1,223
Ops - Customer Operations	51,217	627	51,844	295	52,139
Ops - Electric Operations	165,712	8,346	174,058	(3,136)	170,922
Ops - Gas Operations	2,352	56	2,409	51	2,459
Ops - Interference	137,259	3,294	140,553	2,952	143,505
Ops - Production	24,228	2,700	26,929	(1,076)	25,852
Ops - Substation Operations (SSO)	27,646	663	28,309	594	28,904
Ops - System & Transmission Operations (STO)	26,151	794	26,944	566	27,510
Other Compensation (Long Term Equity)	5,740	233	5,973	125	6,099
Outside Legal Services	421	10	431	9	440
Pension and OPEB Costs	(307,940)	14,058	(293,882)	(256,499)	(550,381)
Regulatory Commission Expense - All Other	2,409	58	2,467	52	2,518
Regulatory Commission Expense - General and R&D	52,622	1,263	53,885	1,132	55,016
Rents - ERRP	61,251	(2,585)	58,666	(1,826)	56,840
Rents - General	59,052	871	59,923	(2,563)	57,360
Rents - Interdepartmental	14,256	1,073	15,328	770	16,099
Research & Development	9,670	(24)	9,646	(308)	9,338
Security	731	18	748	16	764
Storm Reserve	50,605	1,215	51,820	1,088	52,908
System Benefit Charge	197,818	(13,555)	184,264	35,949	220,213
Uncollectible Reserve - Customer	59,119	3,905	63,024	3,185	66,209
Uncollectible Reserve - Sundry	317	-	317	-	317
Worker's Comp NYS Assessment	1,665	40	1,705	36	1,741
All Other	(939)	(28)	(967)	(25)	(992)
Company Labor - Fringe Benefit Adjustment	(302)	4,062	3,760	3,573	7,333
Business Cost Optimization	(23,360)	-	(23,360)	-	(23,360)
Total Operation & Maintenance Expenses	$ 3,372,133	$ 99,897	$ 3,472,030	$ (146,573)	$ 3,325,457

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric Taxes Other Than Income Taxes
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Property Taxes					
New York City	$ 1,755,879	$ 158,864	$ 1,914,743	$ 184,030	$ 2,098,773
Upstate & Westchester	145,622	2,529	148,151	2,585	150,736
Total Property Taxes	1,901,501	161,393	2,062,894	186,615	2,249,509
Payroll Taxes	60,203	2,431	62,634	2,109	64,743
Revenue Taxes	278,576	20,116	298,692	16,616	315,308
Other Taxes					
Sales and Use Tax	3,768	106	3,874	109	3,982
Other Taxes	1,555	44	1,599	45	1,643
Total Other Taxes	5,323	149	5,472	153	5,626
Total Taxes Other than Income Taxes	$ 2,245,603	$ 184,089	$ 2,429,692	$ 205,493	$ 2,635,186

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric New York State Income Taxes
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Operating Income Before Income Taxes	$ 2,000,559	$ 146,411	$ 2,146,970	$ 321,118	$ 2,468,089
Interest Expense	(627,599)	(48,945)	(676,544)	(50,263)	(726,808)
Book Income Before State Income Taxes	1,372,960	97,466	1,470,426	270,855	1,741,281
Tax Computation					
Current State Income Taxes	7,692	46,605	54,296	(15,892)	38,404
Deferred State Income Taxes	81,944	(40,250)	41,694	33,452	75,145
NYS Income Tax Expense	$ 89,636	$ 6,354	$ 95,990	$ 17,560	$ 113,549

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric Federal Income Taxes
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Operating Income Before Income Taxes	$ 2,000,559	$ 146,411	$ 2,146,970	$ 321,118	$ 2,468,089
Interest Expense	(627,599)	(48,945)	(676,544)	(50,263)	(726,808)
Book Income Before Income Taxes	1,372,960	97,466	1,470,426	270,855	1,741,281
Tax Computation					
Current Federal Income Tax	106,488	129,179	235,668	(45,564)	190,104
Deferred Federal Income Tax	185,701	(102,848)	82,854	101,562	184,416
Excess Deferred Federal Income Tax - Protected	(24,990)	(21,654)	(46,644)	22,014	(24,630)
Excess Deferred Federal Income Tax - Unprotected	(94,269)	-	(94,269)	94,269	-
Excess Deferred Federal Income Tax - Non-Plant	(18,544)	-	(18,544)	18,544	-
Amortization of Investment Tax Credit	(739)	287	(452)	178	(274)
R&D Tax Credit	(4,912)	-	(4,912)	-	(4,912)
Federal Income Tax Expense	$ 148,736	$ 4,964	$ 153,700	$ 191,004	$ 344,704

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Rate Base - Electric
Average Twelve Months Ending December 31, 2023, December 31, 2024 and December 31, 2025
($000's)

	RY1	RY2 Changes	RY2	RY3 Changes	RY3
Utility Plant					
Electric Plant In Service	$ 35,369,344	$ 2,179,664	$ 37,549,008	$ 2,016,085	$ 39,565,093
Electric Plant Held For Future Use	71,905	-	71,905	-	71,905
Common Utility Plant (Electric Allocation)	3,406,525	619,135	4,025,660	295,257	4,320,917
Total	38,847,773	2,798,799	41,646,573	2,311,342	43,957,915
Utility Plant Reserves:					
Accumulated Reserve for Depreciation - Plant in Service	(8,872,734)	(1,134,466)	(10,007,200)	(798,491)	(10,805,691)
Accumulated Reserve for Depreciation - Common Plant (Electric Allocation)	(1,239,288)	(136,810)	(1,376,098)	(126,741)	(1,502,839)
Total	(10,112,022)	(1,271,276)	(11,383,298)	(925,232)	(12,308,530)
Net Plant	28,735,751	1,527,523	30,263,275	1,386,110	31,649,384
Non-Interest Bearing CWIP	594,165	(116,340)	477,825	61,405	539,230
Working Capital - Materials/Supplies, Prepayment and Cash Working Capital	1,010,424	54,080	1,064,504	21,374	1,085,877
Unamortized Premium & Discount	149,424	(2,568)	146,856	(1,627)	145,230
Unamortized Preferred Stock Expense	14,422	(771)	13,652	(771)	12,881
Customer Advance Construction	(6,428)	-	(6,428)	-	(6,428)
Net Deferrals / Credits from Reconciliation Mechanisms	875,138	418,216	1,293,354	59,143	1,352,497
Accumulated Deferred Income Taxes					
Accumulated Deferred Federal Income Taxes	(4,511,909)	9,978	(4,501,930)	(33,388)	(4,535,318)
Accumulated Deferred State Income Taxes	(993,122)	(61,753)	(1,054,876)	(58,361)	(1,113,237)
Total	(5,505,031)	(51,775)	(5,556,806)	(91,749)	(5,648,555)
Average Rate Base	25,867,867	1,828,365	27,696,232	1,433,885	29,130,116
Earnings Base Capitalization Adjustment to Rate Base	424,286	-	424,286	-	424,286
Pension/OPEB Reduction	(141,980)	-	(141,980)	-	(141,980)
Former Employees/Contractor Proceeding Rate Base Reduction	(16,373)	786	(15,587)	786	(14,801)
Isias Storm Settlement	(17,647)	519	(17,128)	519	(16,609)
2018 Sales and Use Tax Refund	(21,576)	1,211	(20,365)	1,181	(19,184)
Total Average Rate Base	$ 26,094,576	$ 1,830,881	$ 27,925,457	$ 1,436,371	$ 29,361,828

Consolidated Edison Company of New York, Inc.
Case 22-E-0064
Calculation of Levelized Rate Increase
For the Twelve Months Ending December 31, 2023, December 31, 2024 and December 31, 2025
$ 000's

	Twelve Months Ending			Cumulative
Rate Increase	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2025	Total
RY - 1	$442,306	$442,306	$442,306	$1,326,917
RY - 2	-	517,530	517,530	1,035,059
RY - 3	-	-	382,172	382,172
Total	$ 442,306	$ 959,835	$ 1,342,007	$ 2,744,148
Levelized rate increase w/o interest				
RY - 1	$ 457,358	$ 457,358	$ 457,358	$ 1,372,074
RY - 2	-	457,358	457,358	914,716
RY - 3	-	-	457,358	457,358
Total	$ 457,358	$ 914,716	$ 1,372,074	$ 2,744,148
Variation	$ (15,052)	$ 45,119	$ (30,067)	$ -
Interest @ 5.20%	$ (289)	$ 288	$ 577	$ 577
Levelized rate increase with interest				
RY - 1	$457,454	$457,454	$457,454	$1,372,363
RY - 2	-	457,454	457,454	914,908
RY - 3	-	-	457,454	457,454
Total	$ 457,454	$ 914,908	$ 1,372,363	$ 2,744,725

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Average Capital Structure & Cost of Money
For the Twelve Months Ending December 31, 2023, December 31, 2024 and December 31, 2025

RY 1

	Capital Structure %	Cost Rate %	Cost of Capital %	Pre Tax Cost %
Long term debt	51.34%	4.46%	2.29%	2.29%
Customer deposits	0.66%	3.45%	0.02%	0.02%
Subtotal	52.00%		2.31%	2.31%
Common Equity	48.00%	9.25%	4.44%	6.01%
Total	100.00%		6.75%	8.32%

RY 2

	Capital Structure %	Cost Rate %	Cost of Capital %	Pre Tax Cost %
Long term debt	51.41%	4.54%	2.33%	2.33%
Customer deposits	0.59%	3.45%	0.02%	0.02%
Subtotal	52.00%		2.35%	2.35%
Common Equity	48.00%	9.25%	4.44%	6.01%
Total	100.00%		6.79%	8.37%

RY 3

	Capital Structure %	Cost Rate %	Cost of Capital %	Pre Tax Cost %
Long term debt	51.36%	4.64%	2.38%	2.38%
Customer deposits	0.64%	3.45%	0.02%	0.02%
Subtotal	52.00%		2.41%	2.41%
Common Equity	48.00%	9.25%	4.44%	6.01%
Total	100.00%		6.85%	8.42%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas Revenue Requirement
For The Twelve Months Ending December 31, 2023
($ 000's)

	Rate Year 1 Forecast	Rate Change	Rate Year 1 With Rate Change
Operating revenues			
Sales revenues	$ 2,787,953	$ 217,210	$ 3,005,163
Other operating revenues	36,893	912	37,806
Total operating revenues	2,824,847	218,122	3,042,969
Operating expenses			
Purchased gas costs	$ 914,413		$ 914,413
Operations & maintenance expenses	375,842	1,477	377,319
Depreciation	430,084		430,084
Regulatory amortizations	(636)		(636)
Taxes other than income taxes	525,445	5,604	531,049
Total operating expenses	2,245,148	7,081	2,252,229
Operating income before income taxes	579,698	211,041	790,740
New York State income taxes	23,061	13,718	36,778
Federal income taxes	61,045	41,438	102,483
Utility operating income	$ 495,592	$ 155,886	$ 651,478
Rate Base	$ 9,647,004		$ 9,647,004
Rate of Return	5.14%		6.75%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas Revenue Requirement
For The Twelve Months Ending December 31, 2023 and December 31, 2024
($ 000's)

	Rate Year 1 With Rate Change	Rate Year 2 Revenue/Expense Rate Base Changes	Rate Change	Rate Year 2 With Rate Change
Operating revenues				
Sales revenues	$ 3,005,163	$ 22,451	$ 173,256	$ 3,200,870
Other operating revenues	37,806	490	728	39,024
Total operating revenues	3,042,969	22,941	173,984	3,239,894
Operating expenses				
Purchased gas costs	914,413	$ 6,831		921,244
Operations & maintenance expenses	377,319	14,644	1,178	393,142
Depreciation	430,084	33,063		463,147
Regulatory amortizations	(636)	7,952		7,316
Taxes other than income taxes	531,049	57,211	4,470	592,730
Total operating expenses	2,252,229	119,702	5,648	2,377,579
Operating income before income taxes	790,740	(96,760)	168,336	862,315
New York State income taxes	36,778	(7,638)	10,942	40,082
Federal income taxes	102,483	(21,766)	33,053	113,770
Utility operating income	$ 651,478	$ (67,356)	$ 124,341	$ 708,463
Rate Base	$ 9,647,004	780,582		$ 10,427,586
Rate of Return	6.75%			6.79%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas Revenue Requirement
For The Twelve Months Ending December 31, 2024 and December 31, 2025
($ 000's)

	Rate Year 2 With Rate Change	Rate Year 3 Revenue/Expense Rate Base Changes	Rate Change	Rate Year 3 With Rate Change
Operating revenues				
Sales revenues	$ 3,200,870	$ 31,863	$ 122,028	$ 3,354,761
Other operating revenues	39,024	881	513	40,417
Total operating revenues	3,239,894	32,744	122,541	3,395,178
Operating expenses				
Purchased gas costs	921,244	$ 9,171		930,415
Operations & maintenance expenses	393,142	(40,523)	830	353,449
Depreciation	463,147	25,104		488,251
Regulatory Amortizations	7,316	14,459		21,775
Taxes other than income taxes	592,730	60,522	3,148	656,400
Total operating expenses	2,377,579	68,733	3,978	2,450,290
Operating income before income taxes	862,315	(35,989)	118,562	944,888
New York State income taxes	40,082	(3,681)	7,707	44,108
Federal income taxes	113,770	6,448	23,280	143,497
Utility operating income	$ 708,463	$ (38,756)	$ 87,576	$ 757,283
Rate Base	$ 10,427,586	635,586		$ 11,063,172
Rate of Return	6.79%			6.85%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas Other Operating Revenues
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Miscellaneous Service & Other Revenues					
AMI Opt Out Fees	$ 93	(5)	$ 88	(5)	$ 83
Meter Recovery	284	-	284	-	284
No Access Charge	793	(737)	56	-	56
Reconnection Fee Waiver	(75)	-	(75)	-	(75)
Late Payment Charges	12,713	822	13,535	646	14,181
Learning Center Revenues	434	9	443	9	452
POR Discount	3,853	-	3,853	-	3,853
Reimbursement To National Grid - Governor's Island	(37)	-	(37)	-	(37)
R&D Ventures	11	-	11	-	11
Miscellaneous	2	-	2	-	2
Total Miscellaneous Service & Other Revenues	18,071	89	18,160	650	18,810
Rents					
Interdepartmental Rents	8,878	1,153	10,031	886	10,917
New York Facilities	7,954	-	7,954	-	7,954
Real Estate Rents	154	(18)	136	(136)	-
Total Rents	16,986	1,135	18,121	750	18,871
Transmission System Reinforcement Recoveries					
NYPA Variable and Maintenance	1,400		1,400		1,400
Steam Department - ERRP Incremental Charges	1,215		1,215		1,215
Total	2,615	-	2,615	-	2,615
Revenue imputation - Cases 09-M-0114 and 09-M-0243	134	(6)	128	(7)	121
Total Other Operating Revenues	$ 37,806	$ 1,218	$ 39,024	$ 1,393	$ 40,417

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas Operations & Maintenance Expenses
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Fuel and Purchased Power	$ 914,413	$ 6,831	$ 921,244	$ 9,171	$ 930,415
A&G, Health Ins. Cap.	(8,774)	$ (239)	(9,012)	$ (245)	(9,257)
Advanced Metering Infrastructure	6,214	$ 11	6,225	$ 152	6,377
Bond Administration & Bank Fees	1,626	$ 39	1,665	$ 35	1,700
Company Labor - Advanced Metering Infrastructure	1,434	$ 226	1,660	$ 78	1,738
Company Labor - Construction Management	6,908	$ 188	7,095	$ 193	7,288
Company Labor - Corporate & Shared Services	42,680	$ 1,121	43,801	$ 1,442	45,242
Company Labor - Customer Energy Solutions	3,908	$ 460	4,368	$ 251	4,620
Company Labor - Customer Information System	70	$ 2	72	$ 2	74
Company Labor - Customer Operations	25,009	$ 740	25,749	$ 633	26,382
Company Labor - Electric Operations	553	$ 15	568	$ 15	583
Company Labor - Gas Operations	86,673	$ 2,512	89,185	$ 1,998	91,182
Company Labor - Substation Operations (SSO)	2	$ 0	2	$ 0	2
Corporate & Shared Services	6,241	$ 62	6,303	$ 95	6,397
Corporate Fiscal Expense	684	$ 16	700	$ 15	715
Customer Information System	4,923	$ (685)	4,238	$ (513)	3,725
Duplicate Misc. Charges	(684)	$ (16)	(700)	$ (15)	(715)
Employee Welfare Expense	28,727	$ 689	29,417	$ 618	30,034
Environmental Affairs	833	$ 20	853	$ 18	871
External Audit Services	824	$ 20	844	$ 18	861
Facilities & Field Services	9,019	$ 472	9,492	$ 541	10,033
Finance & Accounting Operations	545	$ 13	558	$ 12	569
Information Technology	27,743	$ 4,183	31,926	$ 3,385	35,311
Informational Advertising	2,040	$ 188	2,228	$ 144	2,372
Injuries & Damages / Workers Compensation	11,072	$ 266	11,338	$ 238	11,576
Institutional Dues & Subscription	170	$ 4	174	$ 4	177
Insurance Premium	9,401	$ 226	9,627	$ 202	9,829
Intercompany Shared Services	(1,491)	$ (36)	(1,526)	$ (32)	(1,558)
New York Facilities	3,726	$ -	3,726	$ -	3,726
Ops - Construction Management	1,185	$ 28	1,213	$ 25	1,239
Ops - Customer Operations	9,846	$ 122	9,967	$ 58	10,026
Ops - Electric Operations	(21)	$ (0)	(21)	$ (0)	(21)
Ops - Gas Operations	95,046	$ (1,083)	93,963	$ 1,264	95,227
Ops - Interference	29,436	$ 706	30,143	$ 633	30,776
Other Compensation (Long-Term Equity)	1,180	$ 48	1,228	$ 26	1,254
Outside Legal Services	165	$ 4	169	$ 4	173
Pension and OPEB Costs	(63,295)	$ 2,889	(60,405)	$ (52,721)	(113,126)
Regulatory Commission Expense - All Other	832	$ 20	851	$ 18	869
Regulatory Commission Expense - General and R&D	13,576	$ 326	13,902	$ 292	14,193
Rents - General	99	$ -	99	$ -	99
Rents - Interdepartmental	4	$ -	4	$ -	4
Research & Development	1,651	$ 40	1,691	$ (475)	1,216
Security	150	$ 4	154	$ 3	157
Uncollectible Reserve - Customer	18,973	$ 1,174	20,147	$ 923	21,070
Uncollectible Reserve - Sundry	65	$ -	65	$ -	65
Worker's Comp NYS Assessment	342	$ 8	351	$ 7	358
All Other	803	$ 19	822	$ 17	839
Company Labor - Fringe Benefit Adjustment	3,406	$ 1,020	4,426	$ 950	5,377
Business Cost Optimization	(6,200)	-	(6,200)	-	(6,200)
Total Operation & Maintenance Expenses	$ 1,291,732	$ 22,654	$ 1,314,386	$ (30,522)	$ 1,283,864

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas Taxes Other Than Income Taxes
For The Twelve Months Ending December 31, 2023, 2024, and 2025
($000s)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Property Taxes					
New York City	$ 378,681	$ 54,992	$ 433,673	$ 58,092	$ 491,765
Upstate & Westchester	59,881	1,048	60,929	1,066	61,995
Total Property Taxes	438,562	56,040	494,602	59,158	553,760
Payroll Taxes	13,849	565	14,414	518	14,932
Revenue Taxes	77,512	5,049	82,561	3,970	86,531
Other Taxes					
Sales and Use Tax	770	18	788	17	805
Other Taxes	356	9	365	8	373
Total Other Taxes	1,126	27	1,153	24	1,177
Total Taxes Other than Income Taxes	531,049	61,681	592,730	63,670	656,400

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas New York State Income Taxes
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Operating Income Before Income Taxes	$ 790,740	$ 71,575	$ 862,315	$ 82,573	$ 944,888
Interest Expense	(226,089)	(20,757)	(246,846)	(20,570)	(267,417)
Book Income Before Income Taxes	564,651	50,818	615,468	62,003	677,471
Tax Computation					
Current State Income Taxes	12,437	3,839	16,276	4,168	20,444
Deferred State Income Taxes	24,341	(535)	23,806	(142)	23,664
NYS Income Tax Expense	$ 36,778	$ 3,304	$ 40,082	$ 4,026	$ 44,108

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas Federal Income Taxes
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Rate Year 1	Rate Year 2 Changes	Rate Year 2	Rate Year 3 Changes	Rate Year 3
Operating Income Before Income Taxes	$ 790,740	$ 71,575	$ 862,315	$ 82,573	$ 944,888
Interest Expense	(226,089)	(20,757)	(246,846)	(20,570)	(267,417)
Book Income Before Income Taxes	564,651	50,818	615,468	62,003	677,471
Tax Computation					
Current Federal Income Tax	66,071	9,583	75,654	10,264	85,918
Deferred Federal Income Tax	60,636	2,359	62,995	3,982	66,977
Excess Deferred Federal Income Tax - Protected	(6,775)	(660)	(7,436)	(139)	(7,575)
Excess Deferred Federal Income Tax - Unprotected	(11,840)	-	(11,840)	11,840	-
Excess Deferred Federal Income Tax - Non-Plant	(3,780)	-	(3,780)	3,780	-
Amortization of Investment Tax Credit	(750)	5	(745)	-	(745)
R&D Tax Credit	(1,078)	-	(1,078)	-	(1,078)
Federal Income Tax Expense	$ 102,483	$ 11,287	$ 113,770	$ 29,727	$ 143,497

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Rate Base - Gas
Average Twelve Months Ending December 31, 2023, December 31, 2024 and December 31, 2025
($000's)

	RY1	RY2 Changes	RY2	RY 3 Changes	RY3
Utility Plant					
Gas Plant In Service	$ 12,621,119	$ 957,282	$ 13,578,402	$ 995,005	$ 14,573,407
Common Utility Plant (Gas Allocation)	697,722	126,811	824,533	60,474	885,007
Total	13,318,841	1,084,093	14,402,934	1,055,479	15,458,414
Utility Plant Reserves:		-			
Accumulated Reserve for Depreciation - Plant in Service	(2,338,116)	(269,152)	(2,607,268)	(284,165)	(2,891,434)
Accumulated Reserve for Depreciation - Common Plant (Gas Allocation)	(253,830)	(28,021)	(281,851)	(25,959)	(307,810)
Total	(2,591,946)	(297,173)	(2,889,119)	(310,125)	(3,199,244)
Net Plant	10,726,895	786,920	11,513,815	745,355	12,259,170
Non-Interest Bearing CWIP	397,488	(6,146)	391,341	(89,406)	301,936
Working Capital - Materials/Supplies, Prepayment and Cash Working Capital	172,933	14,442	187,375	8,072	195,447
Unamortized Premium & Discount	30,713	(528)	30,185	(334)	29,851
Unamortized Preferred Stock Expense	2,732	(146)	2,586	(146)	2,440
Customer Advance Construction	(2,482)	-	(2,482)	-	(2,482)
Net Deferrals / Credits from Reconciliation Mechanisms	142,336	48,764	191,100	44,505	235,605
Accumulated Deferred Income Taxes		-			
Accumulated Deferred Federal Income Taxes	(1,680,471)	(38,986)	(1,719,458)	(49,058)	(1,768,515)
Accumulated Deferred State Income Taxes	(263,256)	(24,060)	(287,316)	(23,723)	(311,039)
Total	(1,943,728)	(63,047)	(2,006,774)	(72,781)	(2,079,555)
Average Rate Base	9,526,887	780,259	10,307,146	635,265	10,942,412
Earnings Base Capitalization Adjustment to Rate Base	142,667	-	142,667	-	142,667
Pension/OPEB Reduction	(16,201)	-	(16,201)	-	(16,201)
Former Employees/Contractor Proceeding Rate Base Reduction	(4,019)	193	(3,826)	193	(3,633)
2018 Sales and Use Tax Refund	(2,330)	130	(2,200)	128	(2,072)
Total Average Rate Base	9,647,004	780,582	$ 10,427,586	$ 635,586	$ 11,063,172

Consolidated Edison Company of New York, Inc.
Case 22-G-0065
Calculation of Levelized Rate Increase
For the Twelve Months Ending December 31, 2023, December 31, 2024 and December 31, 2025
$ 000's

	Twelve Months Ending			Cumulative
Rate Increase	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2025	Total
RY - 1	$217,210	$217,210	$217,210	$651,630
RY - 2	-	173,256	173,256	346,512
RY - 3	-	-	122,028	122,028
Total	$ 217,210	$ 390,466	$ 512,494	$ 1,120,170
Levelized rate increase w/o interest				
RY - 1	$ 186,695	$ 186,695	$ 186,695	$ 560,085
RY - 2	-	186,695	186,695	373,390
RY - 3	-	-	186,695	186,695
Total	$ 186,695	$ 373,390	$ 560,085	$ 1,120,170
Variation	$ 30,515	$ 17,076	$ (47,591)	$ -
Interest @ 5.20%	$ 586	$ 1,500	$ 914	$ 3,000
Levelized rate increase with interest				
RY - 1	$187,195	$187,195	$187,195	$561,585
RY - 2	-	187,195	187,195	374,390
RY - 3	-	-	187,195	187,195
Total	$ 187,195	$ 374,390	$ 561,585	$ 1,123,170

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Case 22-G-0065

Average Capital Structure & Cost of Money

For the Twelve Months Ending December 31, 2023, December 31, 2024 and December 31, 2025

RY 1

	Capital Structure %	Cost Rate %	Cost of Capital %	Pre Tax Cost %
Long term debt	51.34%	4.46%	2.29%	2.29%
Customer deposits	0.66%	3.45%	0.02%	0.02%
Subtotal	52.00%		2.31%	2.31%
Common Equity	48.00%	9.25%	4.44%	6.01%
Total	100.00%		6.75%	8.32%

RY 2

	Capital Structure %	Cost Rate %	Cost of Capital %	Pre Tax Cost %
Long term debt	51.41%	4.54%	2.33%	2.33%
Customer deposits	0.59%	3.45%	0.02%	0.02%
Subtotal	52.00%		2.35%	2.35%
Common Equity	48.00%	9.25%	4.44%	6.01%
Total	100.00%		6.79%	8.37%

RY 3

	Capital Structure %	Cost Rate %	Cost of Capital %	Pre Tax Cost %
Long term debt	51.36%	4.64%	2.38%	2.38%
Customer deposits	0.64%	3.45%	0.02%	0.02%
Subtotal	52.00%		2.41%	2.41%
Common Equity	48.00%	9.25%	4.44%	6.01%
Total	100.00%		6.85%	8.42%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Amortization of Electric Regulatory Deferrals (Credits & Debits)
($ 000's)

Electric		Amortization Period	Twelve Months Ending December 31, 2023	2024	2025	Total
Regulatory Assets (Debits)						
Energy Efficiency	15253, 15271	15	$ 48,357	$ 61,566	$ 78,702	$ 188,625
Brooklyn Queens Demand Management Program (BQDM	15246	10	4,602	6,962	8,072	19,636
Non Wire Alternative Projects (NWS)	15121	10	4,290	4,536	4,651	13,477
REV - Demonstration Projects	15250	10	2,302	3,035	3,638	8,975
Electric Vehicle Smart charge	15258	10	519	519	519	1,557
Storage Dispatch General Expenses - 10 yrs	15282	10	210	280	350	840
Storage Dispatch General Expenses - 7 yrs	15286	7	10,439	11,081	11,724	33,244
System Peak Reduction	15259	7	4,876	4,876	4,876	14,628
Site Investigation and Remediation (SIR) Program Costs	14605, 22301	5	11,729	19,734	21,042	52,505
EV Make Ready	15274	5	1,982	1,982	1,982	5,946
Storm Reserve	15186	3	57,442	57,442	57,442	172,326
Pensions/OPEBs	013, 24366, 14402, 144	3	52,062	52,062	52,062	156,186
MTA work	15266	3	30,781	30,781	30,781	92,343
Emergency Low Income Credit	15272	3	13,117	13,117	13,117	39,351
Interest on Deferrals	15148, 24504	3	1,034	1,034	1,034	3,102
Interest on Rev Req Service Change	24508	3	528	528	528	1,584
Federal Tax Reform Transition Period	24525	3	491	491	491	1,473
Management Audit	15157	3	347	347	347	1,041
NYSIT Rate Change	24393	3	195	195	195	585
WTC Incident System Restoration Interest Accrued	24476	3	3	3	3	9
Preferred Stock Redemption		19	771	771	771	2,313
Legacy Meters	14775	15		28,454	28,454	56,908
Total Regulatory Assets (a)			$ 246,077	$ 299,796	$ 320,781	$ 866,654
Regulatory Liabilities (Credits)						
Sale of Property - Gain on North 1st Street	24424	3	$17,202	$17,202	$17,202	$ 51,606
Interference	15124, 24380	3	9,898	9,898	9,898	29,694
Sales and Use Tax Refund	25012	3	9,346	9,346	9,346	28,038
Interest Rate True-Up (Auction Rate / LT Debt)	24326	3	7,858	7,858	7,858	23,574
BQDM & REV Demo Carrying Charge Deferral	24517	3	6,850	6,850	6,850	20,550
Carrying Charges (Net Plant Reconciliation)	15189, 24378	3	5,625	5,625	5,625	16,875
Sale of Property - Gain on Kent Avenue	15179, 24528	3	5,440	5,440	5,440	16,320
Management Variable Pay	24509	3	5,428	5,428	5,428	16,284
Health Insurance Deferral Tax	24545	3	3,370	3,370	3,370	10,110
Energy Efficiency programs Carrying Charge Deferra	24520	3	2,587	2,587	2,587	7,761
Riley & Quinn Storm Settlements	24538	3	1,929	1,929	1,929	5,787
Property Tax Deferrals	14757, 24400	3	1,555	1,555	1,555	4,665
AMI Customer Engagement	24518	3	1,343	1,343	1,343	4,029
DSM Liquidated	24349, 24490	3	995	995	995	2,985
Tropical Storm ISAIAS Insurance Proceeds	24541	3	926	926	926	2,778
Additional 18A Assessment	5051;15052;24469;245	3	654	654	654	1,962
Carrying Cost - SIR Deferred Balances	24485	3	490	490	490	1,470
Former Employees/Contractor Proceeding	24470	3	463	463	463	1,389
Electric Vehicle Rate Incentive Expense True Up	24519	3	327	327	327	981
Property Tax Refund Town	24407	3	39	39	39	117
Capital Expense Carrying Charge Refund	17039	3	24	24	24	72
PROP TAX REFUND CITY	24405	3	14	14	14	42
Customer Cash Flow Benefits - Bonus Depreciation	24472	3	8	8	8	24
LPC and Other Revenues Over Recoveries	15288	2	50,621	50,621		101,242
IP SHUTDOWN CONTINGENCY STUDY	15239	1	30,081			30,081
Total Regulatory Liabilities (b)			$163,073	$132,992	$82,371	$378,436
Net Debit / (Net Credit) (a - b)			$ 83,004	$ 166,804	$ 238,410	$ 488,218

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Amortization of Gas Regulatory Deferrals (Credits & Debits)
($ 000's)

Gas		Amortization Period	Twelve Months Ending December 31, 2023	2024	2025	Total
Regulatory Assets (Debits)						
Energy Efficiency	15271	15	$ 10,800	$ 16,010	$ 20,115	$ 46,925
Meadowlands Heaters	15255	9	2,960	2,960	2,960	8,880
Gas Service Line	15264	3	21,203	21,203	21,203	63,609
Pensions/OPEBs	013, 24366, 14402, 144	3	8,329	8,329	8,329	24,987
Site Investigation and Remediation (SIR) Program Costs	14605/22301	3	4,806	7,548	7,996	20,350
Interest on Deferrals	15148, 24504	3	1,196	1,196	1,196	3,588
Federal Tax Reform Transition Period	24525	3	366	366	366	1,098
Pipeline Upgrade Projects	15123	3	269	269	269	807
Positive Incentive Revenue Adjustments	17030	3	79	79	79	237
Management Audit	15157	3	71	71	71	213
NYSIT Rate Change	24393	3	55	55	55	165
Building Meter Conversion Study	15262	3	34	34	34	102
Customer Cash Flow Benefits - Bonus Depreciation	24472	3	2	2	2	6
Preferred Stock Redemption		19	146	146	146	438
Total Regulatory Assets (a)			$ 50,316	$ 58,268	$ 62,821	$ 171,405
Regulatory Liabilities (Credits)						
Carrying Charges (Net Plant Reconciliation)	15189, 24378	3	$ 18,766	$ 18,766	$ 18,766	$ 56,298
Property Tax Deferrals	14757, 24400	3	10,398	10,398	10,398	31,194
Interference	15124, 24380	3	2,673	2,673	2,673	8,019
Interest Rate True-Up (Auction Rate / LT Debt)	24326	3	2,083	2,083	2,083	6,249
Sales and Use Tax Refund	25012	3	1,706	1,706	1,706	5,118
Inside Gas Meters	15252	3	1,474	1,474	1,474	4,422
Management Variable Pay	24509	3	1,295	1,295	1,295	3,885
Penalties on Off-peak / interruptible customers	24396	3	863	863	863	2,589
Health Insurance Deferral Tax	24545	3	693	693	693	2,079
Energy Efficiency and DM Programs Carrying Charge Deferra	24520	3	532	532	532	1,596
Prop Tax Refund City	24405	3	154	154	154	462
Pipeline Integrity	24382	3	84	84	84	252
Additional 18A Assessment	5051;15052;24469;245	3	80	80	80	240
Former Employees/Contractor Proceeding	24470	3	79	79	79	237
R and D Recon	24408	3	61	61	61	183
AMI Customer Engagement	24518	3	53	53	53	159
Carrying Cost - SIR Deferred Balances	24485	3	49	49	49	147
Transition Gas Adjustment	15234, 24050	3	2	2	2	6
Unauthorized Use Charge - Divested Stations	24446	3	1	1	1	3
LPC and Other Revenues Over Recoveries	15288	2	9,906	9,906		19,812
Total Regulatory Liabilities (b)			$ 50,952	$ 50,952	$ 41,046	$ 142,950
Net Debit / (Net Credit) (a - b)			$ (636)	$ 7,316	$ 21,775	$ 28,455

Consolidated Edison Company of New York
Case 22-E-0064
Electric Delivery Volume and Delivery Revenue
Twelve Months ending December 31, 2023, December 31, 2024, and December 31, 2025

Delivery Volume - GWHs
Twelve Months ending December 31st

	2023	2024	2025
Con Edison Customers	42,134	42,480	42,511
New York Power Authority	9,349	9,273	8,983
Recharge New York	688	688	688
Total Delivery Volumes	52,171	52,441	52,182

Delivery Revenues at Current and Rate Year Rates ($ '000)
Twelve Months ending December 31st

	2023			2024			2025		
	At Current (Jan 2022) Rates	Revenue Targets at RY1 Rates	Revenue Change for RY1	At Current (Jan 2022) Rates	Revenue Targets at RY2 Rates	Revenue Change for RY2	At Current (Jan 2022) Rates	Revenue Targets at RY3 Rates	Revenue Change for RY3
Non Competitive - Subject to RDM									
Con Edison Customers*	$5,254,430	$5,747,556	$493,126	$5,335,979	$6,222,300	$886,321	$5,349,482	$6,625,675	$1,276,193
New York Power Authority	664,206	727,363	63,157	660,176	775,389	115,213	644,076	807,752	163,676
Total Non-Competitive Revenues - RDM Customers	$5,918,636	$6,474,919	$556,283	$5,996,155	$6,997,689	$1,001,534	$5,993,558	$7,433,427	$1,439,869
Non Competitive - Non - RDM									
Con Edison Customers	$49,992	$54,206	$4,214	$13,215	$14,835	$1,620	$12,077	$14,346	$2,269
Recharge New York	38,541	41,333	2,792	38,541	43,515	4,974	38,541	43,515	4,974
Total Non-Competitive Revenues - Non-RDM Customers	$88,533	$95,539	$7,006	$51,756	$58,350	$6,594	$50,618	$57,861	$7,243
Competitive									
Billing & Payment Processing	$47,123	$47,123	$0	$47,340	$47,340	$0	$47,645	$47,645	$0
Merchant Function Charge	57,607	50,220	(7,387)	57,621	53,470	(4,151)	57,466	56,298	(1,168)
Total Competitive Revenues	$104,730	$97,343	($7,387)	$104,961	$100,810	($4,151)	$105,111	$103,943	($1,168)
Total Delivery Revenues	$6,111,899	$6,667,801	$555,902	$6,152,872	$7,156,849	$1,003,977	$6,149,287	$7,595,231	$1,445,944

*SC 1 revenues are at full customer charge for all customers.

Monthly Electric Revenue Targets

Revenue Targets for Rate Year ending December 2023 (Thousand $)

	SC 1	SC 2 & 6	SC 8	SC 5 & 9	SC 12	CECONY	NYPA	TOTAL
Jan-23	215,034	48,773	11,665	165,010	2,798	443,280	53,887	497,167
Feb-23	203,656	49,201	11,573	158,444	3,012	425,886	52,647	478,533
Mar-23	191,958	46,067	10,772	156,221	2,525	407,543	50,456	457,999
Apr-23	170,208	41,301	9,790	149,029	1,895	372,223	47,015	419,238
May-23	169,210	38,316	10,946	153,235	1,465	373,172	47,244	420,416
Jun-23	216,592	45,620	16,882	209,898	1,825	490,817	72,293	563,110
Jul-23	297,916	52,710	23,414	268,094	2,460	644,594	73,593	718,187
Aug-23	306,587	54,110	24,903	268,492	2,576	656,668	80,424	737,092
Sep-23	277,431	51,603	23,267	258,404	2,392	613,097	81,397	694,494
Oct-23	207,581	43,690	17,252	213,908	1,670	484,101	62,567	546,668
Nov-23	186,616	41,354	11,318	168,094	1,607	408,989	57,286	466,275
Dec-23	203,961	45,259	11,560	164,143	2,263	427,186	48,554	475,740
Rate Year 2023	2,646,750	558,004	183,342	2,332,972	26,488	5,747,556	727,363	6,474,919

Notes:

(1) SC 1 revenues are at full customer charge for all customers.
(2) SC 9 reflects the exclusion of BIR delivery revenues.
(3) SCs 5, 8, 9, 12, and NYPA reflect the inclusion of Reactive Power revenues.

Monthly Electric Revenue Targets

Revenue Targets for Rate Year ending December 2024 (Thousand $)

	SC 1	SC 2 & 6	SC 8 & 13	SC 5 & 9	SC 12	CECONY	NYPA	TOTAL
Jan-24	231,211	52,262	12,776	178,582	3,023	477,854	57,417	535,271
Feb-24	218,455	52,866	12,780	171,201	3,265	458,567	56,026	514,593
Mar-24	205,637	49,236	11,929	168,583	2,722	438,107	53,768	491,875
Apr-24	186,036	45,801	11,020	165,944	1,990	410,791	51,854	462,645
May-24	184,040	42,170	12,218	170,292	1,650	410,370	50,584	460,954
Jun-24	230,307	48,707	18,485	228,771	1,928	528,198	76,427	604,625
Jul-24	320,353	57,143	25,464	290,748	2,764	696,472	77,578	774,050
Aug-24	328,796	58,388	26,914	290,193	2,884	707,175	84,942	792,117
Sep-24	298,597	55,788	25,252	280,393	2,684	662,714	86,500	749,214
Oct-24	220,448	47,149	18,805	228,594	1,820	516,816	66,241	583,057
Nov-24	196,610	44,353	12,314	178,165	1,786	433,228	52,141	485,369
Dec-24	229,629	51,816	13,056	185,049	2,464	482,014	61,911	543,925
Rate Year 2024	2,850,119	605,679	201,007	2,536,515	28,980	6,222,300	775,389	6,997,689

Notes:
(1) SC 1 revenues are at full customer charge for all customers.
(2) SC 9 reflects the exclusion of BIR delivery revenues.
(3) SCs 5, 8, 9, 12, and NYPA reflect the inclusion of Reactive Power revenues.
(4) SCs 8 (includes 13), 9, and 12 include Standby Service Revenues.

Monthly Electric Revenue Targets

Revenue Targets for Rate Year ending December 2025 (Thousand $)

	SC 1	SC 2 & 6	SC 8 & 13	SC 5 & 9	SC 12	CECONY	NYPA	TOTAL
Jan-25	249,079	57,048	13,588	191,653	3,157	514,525	64,907	579,432
Feb-25	236,465	58,320	13,868	184,671	3,439	496,763	54,776	551,539
Mar-25	216,332	52,855	12,594	177,136	2,846	461,763	56,211	517,974
Apr-25	197,977	49,465	11,812	175,149	2,148	436,551	58,579	495,130
May-25	196,903	45,693	13,161	180,811	1,801	438,369	55,157	493,526
Jun-25	245,228	52,987	20,147	245,980	2,180	566,522	71,081	637,603
Jul-25	343,815	61,786	27,320	308,318	3,019	744,258	88,324	832,582
Aug-25	353,580	63,136	28,763	307,692	3,082	756,253	89,159	845,412
Sep-25	323,466	60,907	27,288	299,025	2,938	713,624	83,316	796,940
Oct-25	230,516	49,917	19,462	236,099	1,918	537,912	69,258	607,170
Nov-25	210,144	48,148	13,234	190,107	1,947	463,580	58,124	521,704
Dec-25	235,792	53,738	13,513	189,895	2,623	495,561	58,860	554,421
Rate Year 2025	3,039,297	654,000	214,744	2,686,536	31,098	6,625,675	807,752	7,433,427

Notes:
(1) SC 1 revenues are at full customer charge for all customers.
(2) SC 9 reflects the exclusion of BIR delivery revenues.
(3) SCs 5, 8, 9, 12, and NYPA reflect the inclusion of Reactive Power revenues.
(4) SCs 8 (includes 13), 9, and 12 include Standby Service Revenues.

Consolidated Edison Company of New York, Inc.
Gas Case 22-G-0065
Firm Sales Revenues and Volumes
$ 000's

Base Revenues (excl GRT)	Twelve Months Ending December 31, 2023	RY2 Sales Gain/(Loss)	Twelve Months Ending December 31, 2024	RY 3 Sales Gain/(Loss)	Twelve Months Ending December 31, 2025
Service Classification 1	268,458	11,150	279,608	7,588	287,196
Service Classification 2 Rate I	173,353	21,177	194,530	16,426	210,956
Service Classification 2 Rate II	296,109	28,946	325,055	27,331	352,386
Service Classification 2 - DG	18,109	3,613	21,722	2,397	24,119
Service Classification 2 - Contract	1,800	-	1,800	-	1,800
Service Classification 3	1,160,626	124,510	1,285,135	121,590	1,406,725
Service Classification 3 - DG	21	2	24	2	26
Service Classification 13	538	56	594	59	653
Service Classification 14	211	-	211	-	211
	1,919,224	**189,455**	**2,108,679**	**175,393**	**2,284,072**

Volumes (Therms)	Twelve Months Ending December 31, 2023	RY2 Sales Gain/(Loss)	Twelve Months Ending December 31, 2024	RY 3 Sales Gain/(Loss)	Twelve Months Ending December 31, 2025
Service Classification 1	38,829,495	(2,300,708)	36,528,787	(3,820,194)	32,708,593
Service Classification 2 Rate I	233,898,556	8,716,447	242,615,002	897,965	243,512,967
Service Classification 2 Rate II	344,355,210	(2,812,380)	341,542,831	(5,148,187)	336,394,644
Service Classification 2 - DG	74,130,000	6,630,000	80,760,000	2,340,000	83,100,000
Service Classification 2 - Contract	24,000,000	-	24,000,000	-	24,000,000
Service Classification 3	1,013,984,334	2,210,442	1,016,194,776	(2,613,426)	1,013,581,350
Service Classification 3 - DG	30,000	-	30,000	-	30,000
Service Classification 13	590,000	-	590,000	2,303	592,303
Service Classification 14	120,000	-	120,000	-	120,000
	1,729,937,594	**12,443,801**	**1,742,381,395**	**(8,341,539)**	**1,734,039,857**

Consolidated Edison Company of New York, Inc.
Case 22-G-0065
Monthly Gas Revenue Targets

Revenue Targets for Rate Year ending December 2023 (Thousand $)

	SC 1	SC 2 R1	SC 2 R2	SC 3 1-4	SC 3 >4	TOTAL
Jan-23	$ 25,801	$ 14,970	$ 51,855	$ 92,707	$ 109,418	$ 294,750
Feb-23	$ 24,314	$ 16,094	$ 49,659	$ 91,861	$ 107,982	$ 289,910
Mar-23	$ 23,347	$ 14,458	$ 46,061	$ 77,865	$ 94,279	$ 256,011
Apr-23	$ 21,736	$ 13,939	$ 35,546	$ 50,968	$ 66,975	$ 189,164
May-23	$ 21,062	$ 13,455	$ 16,457	$ 26,606	$ 34,211	$ 111,791
Jun-23	$ 21,985	$ 13,818	$ 7,745	$ 14,695	$ 26,727	$ 84,971
Jul-23	$ 21,884	$ 14,173	$ 5,916	$ 12,130	$ 20,812	$ 74,914
Aug-23	$ 20,794	$ 13,228	$ 5,663	$ 10,409	$ 20,559	$ 70,653
Sep-23	$ 20,632	$ 13,626	$ 5,428	$ 9,884	$ 17,373	$ 66,943
Oct-23	$ 21,132	$ 14,486	$ 12,031	$ 16,853	$ 26,920	$ 91,422
Nov-23	$ 21,931	$ 14,998	$ 20,883	$ 35,164	$ 53,425	$ 146,401
Dec-23	$ 23,840	$ 16,108	$ 38,865	$ 64,642	$ 78,160	$ 221,615
Rate Year 2023	$ 268,458	$ 173,353	$ 296,109	$ 503,785	$ 656,840	$1,898,545
	$ 268,458	$ 173,353	$ 296,109	$ 503,785	$ 656,840	$1,898,545

Consolidated Edison Company of New York, Inc.
Case 22-G-0065
Monthly Gas Revenue Targets

Revenue Targets for Rate Year ending December 2024 (Thousand $)

	SC 1	SC 2 R1	SC 2 R2	SC 3 1-4	SC 3 >4	TOTAL
Jan-24	$ 25,085	$ 16,543	$ 56,055	$ 100,227	$ 119,799	$ 317,709
Feb-24	$ 23,744	$ 17,617	$ 53,884	$ 99,862	$ 118,767	$ 313,874
Mar-24	$ 23,259	$ 16,138	$ 50,795	$ 86,076	$ 105,205	$ 281,474
Apr-24	$ 22,093	$ 16,060	$ 40,131	$ 58,077	$ 76,815	$ 213,177
May-24	$ 22,006	$ 15,617	$ 18,707	$ 30,411	$ 39,619	$ 126,360
Jun-24	$ 23,761	$ 15,640	$ 8,531	$ 16,197	$ 29,759	$ 93,888
Jul-24	$ 23,710	$ 16,029	$ 6,456	$ 13,246	$ 23,074	$ 82,515
Aug-24	$ 22,747	$ 14,846	$ 6,150	$ 11,327	$ 22,760	$ 77,829
Sep-24	$ 23,037	$ 15,321	$ 5,901	$ 10,787	$ 19,282	$ 74,328
Oct-24	$ 22,787	$ 16,053	$ 12,854	$ 17,878	$ 29,254	$ 98,827
Nov-24	$ 22,908	$ 16,372	$ 21,711	$ 36,502	$ 56,848	$ 154,341
Dec-24	$ 24,471	$ 18,295	$ 43,880	$ 73,322	$ 90,040	$ 250,008
Rate Year 2024	$ 279,608	$ 194,530	$ 325,055	$ 553,913	$ 731,222	$2,084,329
	$ 279,608	$ 194,530	$ 325,055	$ 553,913	$ 731,222	$2,084,329

Consolidated Edison Company of New York, Inc.
Case 22-G-0065
Monthly Gas Revenue Targets

Revenue Targets for Rate Year ending December 2025 (Thousand $)

	SC 1	SC 2 R1	SC 2 R2	SC 3 1-4	SC 3 >4	TOTAL
Jan-25	$ 25,727	$ 17,465	$ 61,176	$ 109,811	$ 132,270	$ 346,449
Feb-25	$ 24,356	$ 19,197	$ 59,280	$ 110,278	$ 132,582	$ 345,694
Mar-25	$ 23,875	$ 17,193	$ 54,120	$ 91,751	$ 113,628	$ 300,567
Apr-25	$ 22,680	$ 17,499	$ 42,767	$ 61,520	$ 82,919	$ 227,385
May-25	$ 22,594	$ 17,295	$ 19,736	$ 31,929	$ 42,626	$ 134,180
Jun-25	$ 24,415	$ 17,176	$ 8,899	$ 17,020	$ 32,256	$ 99,767
Jul-25	$ 24,365	$ 17,643	$ 7,024	$ 14,441	$ 25,543	$ 89,017
Aug-25	$ 23,379	$ 16,327	$ 6,687	$ 12,363	$ 25,219	$ 83,975
Sep-25	$ 23,674	$ 17,024	$ 6,508	$ 11,913	$ 21,588	$ 80,706
Oct-25	$ 23,426	$ 17,541	$ 14,502	$ 20,432	$ 33,292	$ 109,192
Nov-25	$ 23,547	$ 17,813	$ 24,875	$ 42,214	$ 65,486	$ 173,935
Dec-25	$ 25,158	$ 18,781	$ 46,811	$ 78,627	$ 97,019	$ 266,396
Rate Year 2025	$ 287,196	$ 210,956	$ 352,386	$ 602,297	$ 804,428	$2,257,264
	$ 287,196	$ 210,956	$ 352,386	$ 602,297	$ 804,428	$2,257,264

Appendix 6 – Methodology for Calculating Lost and Unaccounted For Gas
Case 22-G-0065

During RY1, RY2 and RY3, Line Loss Factor ("LLF") will be calculated in three steps as follows:

1. Losses = metered supplies into the system (Total Pipeline Receipts + LNG Withdrawals + Total Receipts from New York Facilities) less metered deliveries to customers (Retail Sales and Transportation Deliveries + Deliveries to Generation + Gas Used for Company Purposes and CNG + LNG Injections + Total Heater & Compressor Consumption + Total Deliveries to New York Facilities).

2. Adjusted Line Loss = Losses minus the contribution to the system line loss from generators.[1]

3. LLF = Adjusted Line Loss divided by Citygate receipts adjusted for generation.

In order to determine if the Company receives an incentive/pays a penalty for the annual LLF achieved commencing with the 12-month period ending August 31, 2023, the Company will compare the LLF level for such period to a target derived from the five-year rolling average of LLFs from the five previous September 1 through August 31 periods. If the LLF is within two standard deviations of the rolling prior five-year average target, no incentive/penalty will arise. If the LLF is greater than two but less than four standard deviations above the rolling prior five-year average, then a penalty will be assessed according to the tariff. If the LLF is between two and four standard deviations below the rolling prior five-year average, then an incentive will be provided to the Company according to the tariff. For RY1, the rolling prior five-year average LLF is 3.287 percent.[2] The LLF for the 12-month period ending August 31, 2023 will be

[1] Adjusted Line Losses will also reflect the delivery in kind of an additional 0.5% of net deliveries at New York Facilities Receipt Points.
[2] The Company filed a tariff amendment with the Commission on November 30, 2022 to update the LLF and FOA.

compared to this target (*i.e.,* five-year average level as of August 2022). For RY2 and RY3, the target will be reset each year based on the average of the preceding five (5) years' LLFs.

The Factor of Adjustment ("FOA") applicable to each Rate Year will be used to determine the monthly Gas Cost Factor applicable to sales customers and the amount of gas to be retained by the Company from SC 9 transportation quantities as an allowance for losses. The FOA is derived from the average of the preceding five (5) years' LLFs and is reset for each Rate Year. The FOA applicable to RY1 is 1.0340 based on the above referenced LLF of 3.287 percent.

Metered gas for inactive accounts will not be included in the calculation of LAUF gas for those inactive accounts with an installed and operating AMI meter and for which the Company has been able to obtain relevant usage data other than through an installed and operating AMI meter.

Consolidated Edison Company of New York, Inc
Calculation of Five-Year Average Line Loss Factor, Factor of Adjustment, and Incentive/Penalty bands
Based on 5 Year Period: TME August 2018 to TME August 2022

	Aug-22	Aug-21	Aug-20	Aug-19	Aug-18
Citygate Receipts					
Total Pipeline Receipts	336,370,370	323,716,012	331,865,787	358,491,090	364,725,887
LNG Withdrawals	115,716	142,202	110,503	123,717	277,614
Total Receipts from NY Facilities	16,139,541	15,642,073	14,123,978	13,870,174	7,789,058
Total Receipts (Sum of Lines 1-3)	352,625,627	339,500,287	346,100,268	372,484,981	372,792,559
Deliveries to Customers					
Retail Sales and Transportation Deliveries	179,975,040	180,082,935	185,793,635	195,407,558	191,602,913
Inactive Accounts	200,258	853,920	N/A	N/A	N/A
Deliveries to Generation	145,802,435	135,990,578	133,501,593	145,129,669	148,880,771
Gas Used for Company Purposes & CNG	87,050	92,405	92,668	102,087	163,893
LNG Injections	227,911	303,789	18,834	490,860	389,287
Total Heater & Compressor Consumption	314,435	287,341	280,896	331,517	354,831
Total Deliveries to NY Facilities	16,537,534	14,116,644	20,184,965	24,610,410	25,027,660
Total Deliveries (Sum of Lines 5-10)	343,144,663	331,727,612	339,872,591	366,072,100	366,419,355
	397,993				
Losses (Line 4 - Line 11)	9,480,964	7,772,675	6,227,677	6,412,881	6,373,204
Contribution to system line loss from Generation at 0.5% (Line 6 * 0.005)	729,012	679,953	667,508	725,648	744,404
NYF Exchange 0.5%	2,062	(7,604)	30,324	53,735	50,442
Adjusted Line Loss (Line 12 - Line 13 - Line 13.1)	8,749,889	7,100,326	5,529,845	5,633,497	5,578,358
Citygate Receipts adjusted for Gen & NYF (Line 4 - Line 6 - Line 13 - Line 3)	189,954,639	187,187,683	197,807,189	212,759,489	215,378,326
Annual Line Loss Factor (LLF) (Line 14 / Line 15)	4.6063%	3.7932%	2.7956%	2.6478%	2.5900%

5-Year Statistics (Aug 18 - Aug 22)

Five-Year average Line Loss Factor (LLF) (Average of Line 16)	**3.287%**
Std Deviation	**0.885%**
2 Std Deviations	**1.770%**
Standard Deviation (SD) of Line 16	**0.885%**
LLF% Target	**3.287%**
Upper Deadband Limit (Line 17 + (2* Line 18))	**5.056%**
Lower Deadband Limit (Line 17 - (2* Line 18))	**1.517%**
Factor of Adjustment 1/(1-Line 17)	**1.0340**
Maximuxm Upper Limit (Line 17 + (4* Line 18))	**6.826%**
Maximum Lower Limit (Line 17 - (4* Line 18))	**-0.2532%**
Total Receipts W/O Gen & NYF (Line 4 - Line 6 - Line 13 - Line 3)	**189,954,639**
Total Deliveries W/O Gen & NYF (Line 11 - Line 6 - (Line 3 - Line 13.1))	**181,204,750**

DETERMINE LLF% TARGET & DEAD BAND
Basis: Target & Dead Band are calculated from 5 years of historical data
Dead Band is equal to +/- 2 standard deviations

Upper Deadband FOA 1/(1-Line 19)	**1.0533**
Lower Deadband FOA 1/(1-Line 20)	**1.0154**
Maximum Factor of Adjustment 1/(1-Line 22)	**1.0733**
Minimum Factor of Adjustment 1/(1-Line 23)	**0.9975**

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric True Up Targets
($ 000's)

	Twelve Months Ending December 31,				
Revenue True-ups	2023	RY2 Change	2024	RY3 Change	2025
Proceeds from Sales of TCCs	$ 75,000	$ -	$ 75,000	$ -	$ 75,000
Transmission Service Charges	5,000	-	5,000	-	5,000
Transmission of Energy	7,000	-	7,000	-	7,000
Late Payment Charges	46,491	3,342	49,833	2,760	52,593
Environmental Allowances (SO2)*	-	-	-	-	-
Expense True-ups					
Municipal Infrastructure Support					
Interference - excl. Company labor (80/20 True up)	137,259	3,294	140,553	2,952	143,505
Property Tax Expense (90/10 True up) **	1,901,501	161,393	2,062,894	186,615	2,249,509
Employee Pensions	(299,907)	14,411	(285,495)	(252,145)	(537,641)
Other Post Employment Benefits	(8,033)	(353)	(8,386)	(4,354)	(12,740)
Pension / OPEB Expense	(307,940)	14,058	(293,882)	(256,499)	(550,381)
Storm Reserve	50,605	1,215	51,820	1,088	52,908
Management Variable Pay (Net of Capitalized)	23,052	627	23,679	644	24,323
ERRP - Major Maintenance	6,618	-	6,618	-	6,618
NEIL Dividends, Congestion Tolling, and NYC Local Law 97*	-	-	-	-	-
Customer Service System ("CSS")	24,053	(24,053)	-	-	-
Uncollectibles	59,119	3,905	63,024	3,185	66,209
Rate Base True-ups					
BQDM	27,642	9,098	36,740	7,263	44,003
REV Demo Projects	12,912	3,976	16,888	2,470	19,358
Energy Efficiency	467,165	83,325	550,490	116,306	666,796
Non-Wire Alternatives (Plymouth/Water St. and Columbus)	24,694	3,058	27,752	(2,061)	25,691
Site Investigation and Remediation	26,255	15,893	42,148	2,138	44,286
Interest True-ups (page 2)					
Average Variable Rate	3.74%	-0.93%	2.81%	-0.19%	2.62%
Variable Rate Debt Cost	11,700	(2,930)	8,770	(615)	8,155
Corporate Income Tax					
Brownfield Tax Credits*	-	-	-	-	-

Note

* The Company will defer for the benefit of customers all SO_2 allowances, NEIL Dividends, and Brownfield Tax Credits received during the term of the plan. The Company will defer for future recovery incremental costs associated with Congestion Tolling, NYC Local Law 97.

** The accounting for the levelization of the rate change will be made through property tax expense.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Cases 22-E-0064 / 22-G-0065
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
Variable Rate Debt

			RY1		RY2		RY3	
Bond	Maturity Date	Amount Outstanding	Effective Cost of Money	Effective Annual Cost	Effective Cost of Money	Effective Annual Cost	Effective Cost of Money	Effective Annual Cost
2004 Series C	11/01/39	$ 99,000,000	3.74%	$ 3,699,969	2.81%	$ 2,779,269	2.62%	$ 2,591,169
2005 Series A	05/01/39	126,300,000	3.72%	4,702,067	2.79%	3,527,477	2.60%	3,287,507
2010 Series A	06/01/36	224,600,000	3.76%	8,440,620	2.83%	6,351,840	2.64%	5,925,100
		$ 449,900,000	3.74%	$ 16,842,657	2.81%	$ 12,658,587	2.62%	$ 11,803,777

	RY1	RY2	RY3
Total costs	**$ 16,842,657**	**$ 12,658,587**	**$ 11,803,777**
Allocation to Electric*	69.5%	69.3%	69.1%
Electric Target	**$ 11,700,060**	**$ 8,770,270**	**$ 8,154,670**
Allocation to Gas*	25.9%	26.4%	26.8%
Gas Target	**$ 4,367,570**	**$ 3,336,690**	**$ 3,158,660**
Allocation to Steam*	4.6%	4.4%	4.2%
Steam Target	**$ 775,020**	**$ 551,630**	**$ 490,450**

* Actual series designation to be determined at a later date
** Interest costs will be allocated monthly based on the ratio of actual electric, gas, and steam plant to total plant.

	RY1	RY2	RY3
Net Utility Plant (Electric)	$ 28,735,751	$ 30,263,275	$ 31,649,384
Net Utility Plant (Gas)	10,726,895	11,513,815	12,259,170
Net Utility Plant (Steam)	1,903,483	1,903,483	1,903,483
	$ 41,366,129	$ 43,680,573	$ 45,812,037
Elec Allocation	69.5%	69.3%	69.1%
Gas Allocation	25.9%	26.4%	26.8%
Steam Allocation	4.6%	4.4%	4.2%
	100.0%	100.0%	100.0%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric Average Net Plant Target
Average Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

Target				
	Book Cost of Plant	Accumulated Depreciation	Depreciation Removal Cost	Average Net Plant Excluding Removal Cost
RY1*	$ 37,887,169	$ (9,901,225)	$ (138,888)	$ 27,847,056
RY2	41,646,573	(11,383,298)	(379,275)	29,884,000
RY3	43,957,915	(12,308,530)	(623,268)	31,026,117

*Excluding AMI & CSS in RY1.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Electric - Planned Capital Expenditure
($ 000's)

		Rate Year 1		Rate Year 2		Rate Year 3
Electric*	$	2,765,599	$	2,864,839	$	2,772,202
AMI		29,723		5,667		12,200
CSS		49,612		6,474		6,474
Total	$	2,844,933	$	2,876,981	$	2,790,876

Notes:
Provided for informational purposes only.

* The Company has the flexibility over the term of the Electric Rate Plan to modify the list, priority, nature and scope of its capital programs and projects.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064
Carrying Charge Rates
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025

RY1*

	Electric Plant
Pre Tax Overall Rate of Return	8.324%
Composite Book Depreciation Rate	3.332%
Total Carrying Charge Rate	11.656%

RY 2

	Electric Plant
Pre Tax Overall Rate of Return	8.365%
Composite Book Depreciation Rate	3.515%
Total Carrying Charge Rate	11.880%

RY 3

	Electric Plant
Pre Tax Overall Rate of Return	8.416%
Composite Book Depreciation Rate	3.514%
Total Carrying Charge Rate	11.930%

*Excluding AMI & CSS in RY1.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas True Up Targets
($ 000's)

	Twelve Months Ending December 31,				
	2023	RY2 Change	2024	RY3 Change	2025
Revenue True-Ups					
New York Facilities - Revenues	$ 7,954	$ -	$ 7,954	$ -	$ 7,954
New York Facilities - Expenses	3,726	-	3,726	-	3,726
New York Facilities - Revenues net of Expenses	4,228	-	4,228	-	4,228
Late Payment Charges	12,713	822	13,535	646	14,181
Expense True-ups					
Municipal Infrastructure Support Interference - excl. Company labor (80/20 True up)	29,436	707	30,143	633	30,776
Property Tax Expense (90/10 True up) **	438,562	56,040	494,602	59,158	553,760
Employee Pensions	(61,644)	2,963	(58,682)	(51,826)	(110,508)
Other Post Employment Benefits	(1,651)	(73)	(1,724)	(895)	(2,619)
Pension / OPEB Expense	(63,295)	2,890	(60,405)	(52,721)	(113,126)
Management Variable Pay (Net of Capitalized)	5,361	146	5,506	150	5,656
Congestion Tolling, NYC Local Law 97, and Pipeline Safety Act of 2011/Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2019 *	-	-	-	-	-
Customer Service System ("CSS")	4,923	(4,923)	-	-	-
Research and Development (Internal Programs)	1,651	40	1,691	(475)	1,216
Uncollectibles	18,973	1,174	20,147	923	21,070
Rate Base True-ups					
Energy Efficiency	99,071	35,566	134,637	38,263	172,900
Site Investigation and Remediation	6,256	1,093	7,349	(2,205)	5,144
Interest True-ups (page 2)					
Average Variable Rate	3.74%	-0.93%	2.81%	-0.19%	2.62%
Variable Rate Debt Cost	4,368	(1,031)	3,337	(178)	3,159

Note

* The Company will defer for future recovery incremental costs associated with Congestion Tolling, NYC Local Law 97, Pipeline Safety Act of 2011/Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2019.

** The accounting for the levelization of the rate change will be made through property tax expense.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Cases 22-E-0064 / 22-G-0065

For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025

Variable Rate Debt

			RY1		RY2		RY3	
Bond	Maturity Date	Amount Outstanding	Effective Cost of Money	Effective Annual Cost	Effective Cost of Money	Effective Annual Cost	Effective Cost of Money	Effective Annual Cost
2004 Series C	11/01/39	$ 99,000,000	3.74%	$ 3,699,969	2.81%	$ 2,779,269	2.62%	$ 2,591,169
2005 Series A	05/01/39	126,300,000	3.72%	4,702,067	2.79%	3,527,477	2.60%	3,287,507
2010 Series A	06/01/36	224,600,000	3.76%	8,440,620	2.83%	6,351,840	2.64%	5,925,100
		$ 449,900,000	3.74%	$ 16,842,657	2.81%	$ 12,658,587	2.62%	$ 11,803,777

	RY1	RY2	RY3
Total costs	**$ 16,842,657**	**$ 12,658,587**	**$ 11,803,777**
Allocation to Electric*	69.5%	69.3%	69.1%
Electric Target	**$ 11,700,060**	**$ 8,770,270**	**$ 8,154,670**
Allocation to Gas*	25.9%	26.4%	26.8%
Gas Target	**$ 4,367,570**	**$ 3,336,690**	**$ 3,158,660**
Allocation to Steam*	4.6%	4.4%	4.2%
Steam Target	**$ 775,020**	**$ 551,630**	**$ 490,450**

* Actual series designation to be determined at a later date

** Interest costs will be allocated monthly based on the ratio of actual electric, gas, and steam plant to total plant.

	RY1	RY2	RY3
Net Utility Plant (Electric)	$ 28,735,751	$ 30,263,275	$ 31,649,384
Net Utility Plant (Gas)	10,726,895	11,513,815	12,259,170
Net Utility Plant (Steam)	1,903,483	1,903,483	1,903,483
	$ 41,366,129	$ 43,680,573	$ 45,812,037
Elec Allocation	69.5%	69.3%	69.1%
Gas Allocation	25.9%	26.4%	26.8%
Steam Allocation	4.6%	4.4%	4.2%
	100.0%	100.0%	100.0%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas Average Net Plant Target
Average Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025
($ 000's)

	Target			
	Book Cost of Plant	Accumulated Depreciation	Depreciation Removal Cost	Average Net Plant Excluding Removal Cost
RY1*	$ 13,037,358	(2,545,681)	$ (26,119)	$ 10,465,558
RY2	14,402,934	(2,889,119)	(71,326)	11,442,489
RY3	15,458,414	(3,199,244)	(117,211)	12,141,959

*Excluding AMI & CSS in RY1.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Gas - Planned Capital Expenditure
($ 000's)

	Rate Year 1	Rate Year 2	Rate Year 3
Gas*	$ 1,089,041	$ 1,112,713	$ 1,056,692
AMI	21,743	1,161	2,499
CSS	10,161	1,326	1,326
Total	$ 1,120,945	$ 1,115,200	$ 1,060,516

Notes:
Provided for informational purposes only.

* The Company has the flexibility over the term of the Gas Rate Plan to modify the list, priority, nature and scope of its capital programs and projects.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065
Carrying Charge Rates
For The Twelve Months Ending December 31, 2023, December 31, 2024, and December 31, 2025

RY 1*

	Gas Plant
Pre Tax Overall Rate of Return	8.324%
Composite Book Depreciation Rate	3.063%
Total Carrying Charge Rate	11.387%

RY 2

	Gas Plant
Pre Tax Overall Rate of Return	8.365%
Composite Book Depreciation Rate	3.136%
Total Carrying Charge Rate	11.501%

RY 3

	Gas Plant
Pre Tax Overall Rate of Return	8.416%
Composite Book Depreciation Rate	3.084%
Total Carrying Charge Rate	11.500%

*Excluding AMI & CSS in RY1.

Consolidated Edison Company of New York, Inc.
Case 22-E-0064
Electric Average AMI Net Plant Target
($ 000's)

	Target			
	BOOK COST OF PLANT	ACCUMULATED DEPRECIATION	DEPRECIATION REMOVAL COST	AVERAGE NET PLANT EXCLUDING REMOVAL COST
RY1	$ 954,375	$ (210,797)	$ -	$ 743,578

Consolidated Edison Company of New York, Inc.
Case 22-G-0065
Gas Average AMI Net Plant Target
($ 000's)

	Target			
	BOOK COST OF PLANT	ACCRUED DEPRECIATION	DEPRECIATION REMOVAL COST	AVERAGE NET PLANT EXCLUDING REMOVAL COST
RY1	$ 280,208	$ (46,265)	$ -	$ 233,943

Consolidated Edison Company of New York, Inc.
Case 22-E-0064 and Case 22-G-0065
Carrying Charge Rates

RY 1

	Electric AMI Plant	Gas AMI Plant
Pre Tax Overall Rate of Return	8.324%	8.324%
Composite Book Depreciation Rate	7.640%	6.833%
Total Carrying Charge Rate	15.964%	15.157%

Consolidated Edison Company of New York, Inc.
Case 22-G-0065
Electric Average CSS Net Plant Target
($ 000's)

	Target			
	BOOK COST OF PLANT	**ACCUMULATED DEPRECIATION**	**DEPRECIATION REMOVAL COST**	**AVERAGE NET PLANT EXCLUDING REMOVAL COST**
RY1	$ 10,865		$ -	$ 10,865

Consolidated Edison Company of New York, Inc.
Case 22-G-0065
Gas Average CSS Net Plant Target
($ 000's)

	Target			
	BOOK COST OF PLANT	ACCRUED DEPRECIATION	DEPRECIATION REMOVAL COST	AVERAGE NET PLANT EXCLUDING REMOVAL COST
RY1	$ 2,225		$ -	$ 2,225

Consolidated Edison Company of New York, Inc.
Case 22-E-0064 and Case 22-G-0065
Carrying Charge Rates

RY 1

	Electric CSS Plant	Gas CSS Plant
Pre Tax Overall Rate of Return	8.324%	8.324%
Composite Book Depreciation Rate	0.000%	0.000%
Total Carrying Charge Rate	8.324%	8.324%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Cases 22-E-0064 and 22-G-0065

Earnings Sharing Partial Year

During Stub Period Starting January 1, 2026

(000's)

Assumption: Con Ed Files for New Gas Rates Effective January 2026,
but Delays Filing for New Electric Rates for Six Months

Month / Year	Electric Net Income	
January 31, 2026	$ 116,000	
February 28, 2026	118,000	
March 31, 2026	97,000	
April 30, 2026	107,000	
May 31, 2026	148,000	
June 30, 2026	213,000	
Total		$ 799,000

	Electric Rate Base	
Rate Base as of December 31, 2025	$ 29,000,000	
Rate Base as of June 30, 2026	30,000,000	
Total	59,000,000	
Divided by Two	2	
Average Rate Base During Stub Period	$ 29,500,000	
x Ratio of operating income for the six months ended June 2025 to operating income for the 12 months ended December 2025	46.85%	
Rate Base Subject to Earnings Test		$ 13,821,000
Overall Rate of Return ($ 799,000 / $ 13,821,000)		5.78%
Return on Equity (Page 2)	7.03%	
Earnings Sharing Threshold	9.30%	
Earnings Above / (Under) Threshold	-2.27%	
Equity Earnings Base ($ 13,821,000 x 48.00%)	$ 6,634,080	
Equity Earnings Above / (Under) Target ($ 6,634,080 x -2.27%)	$ (150,540)	

Note: the approach illustrated above would also apply to a delay in filing a gas case.

All the amounts contained in this appendix are hypothetical and will be updated to reflect actuals, e.g.net income, rate base.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Cases 22-E-0064 and 22-G-0065

Capital Structure & Cost of Money

During Stub Period Starting January 1, 2026

	Capital Structure %	Cost Rate %	Cost of Capital %
Long Term Debt	51.36%	4.64%	2.38%
Customer Deposits	0.64%	3.45%	0.02%
Total Debt	52.00%		2.41%
Common Equity	48.00%	7.03%	3.37%
Total	100.00%		5.78%

Note : Amounts are hypothetical.

Appendix 12 – Capital Reporting Requirements

Consolidated Edison Company of New York, Inc.
Cases 22-E-0064, 22-G-0065

Capital Reporting Requirements

The following are the Capital Reporting Requirements noted in Section D of the Proposal:

1. Electric and Common

The Company will, for informational purposes, file with the Secretary and submit to the parties in this proceeding, subject to confidentiality concerns, reports during the rate plan as follows: February 28 ("Annual Report"), May 15, August 15, and November 15 ("Quarterly Reports"). The reports will cover the Company's capital projects and programs list with associated expenditures for electric transmission, substations and distribution operations,[1] electric production, Distributed System Implementation Plan (DSIP), municipal infrastructure, and common.

All Quarterly Reports will include:

- A list of capital expenditures against current year-to-date and annual budget targets for electric transmission, substations, distribution operations, electric production, DSIP, municipal infrastructure, all common projects and programs, and projects and programs the Company has identified as in furtherance of the CLCPA.
- Highlight new projects and programs that incurred expenditures that were not in the annual budget and/or rate plans. Provide white papers for these projects.

The Annual Report will include:

- A list of the project and program expenditures in the categories noted above during the prior calendar year against year-end and annual budget targets for the prior calendar year.

[1] Distribution operations quarterly and annual reports shall include the Company's data on the categories of information required for the Westchester County Resilience and Reliability program standard as described in section (f)(iii) of Appendix 18.

- A list of all projects and programs that had been reflected in the Company's prior calendar year budget or rate plan and that had no expenditure in the prior calendar year, with supporting explanation.

- A list of all new projects and/or programs that were added, with supporting white paper.

- Narrative on cost variances exceeding 10% on projects greater than $5 million.

- The rate plan capital expenditures for the current calendar year for the projects and programs in the categories noted above.

- Five-year capital budget for the projects and programs in the categories noted above.

- The actual capital expenditures, O&M expenses, and deferred amounts, if applicable, during the prior calendar year for AMI, CSS, and DSIP implementation. The actual expenditures will be presented in aggregate form, separately for capital and O&M expenditures, and for deferred amounts, if applicable, for each of the categories listed above (*i.e.*, AMI, CSS and DSIP implementation).

The program budget for the DSIP is as follows (in $000):

	2023	2024	2025	Total
REV - DSPP				
IOAP	$600	$600	$600	$1,800
DMTS	$5,000	$5,500	$6,000	$16,500
DRMS - Phase I	$9,960	$9,900	$9,900	$29,760
Modernizing Protective Relays	$29,336	$29,336	$29,336	$88,008
CVO	$15,000	$15,000	$15,000	$45,000
Connect DER	$1,000	$1,000	$1,000	$3,000
Total	$60,896	$61,336	$61,836	$184,068

Quarterly budget meetings with Staff will continue, at which, among other issues, the Company will report on its current expectations in meeting the annual electric capital budget and net plant targets.

2. Gas

The Company will, for informational purposes, file a Gas Capital Expenditures Report with the Secretary and submit it to the parties in this proceeding, subject to confidentiality concerns. The reports will be filed every six (6) months, annual reports (covering the preceding calendar year) will be filed on February 28, 2024, 2025 and 2026; mid-year reports[2] (covering the first six (6) months of the applicable calendar year) will be filed on August 31, 2023, 2024 and 2025. The reports will include:

- Summary of Capital Expenditures - formatted similar to the Company's presentation in Exhibit___(GIOSP-1); categorize projects into Transmission, Distribution, Technical Operations, Growth and Other; separately track AMI costs during the deployment period; separately identify AMI module costs, tin case meter replacements and the gas portion of allocated common costs; and continue all other current reporting requirements.

- Summary of Capital Additions - broken down by programs and projects.

- For all programs and projects, a comparison of calendar year forecast of expenditures set forth in the 2023-2025 Gas Capital Program vs. calendar year actual expenditures.

- For multi-year programs and projects, a comparison of total expenditures set forth in the 2023-2025 Gas Capital Program vs. actual expenditures, broken down by calendar year (as part of the annual reports only).

- Narrative explanation of the reason(s) for any variance in excess of ten (10) percent between the expenditures set forth in the 2023-2025 Gas Capital Program and actual expenditures for any program or project.

- Narrative explanation of the reason and purpose for any new projects or programs exceeding $1 million that were or are going to be undertaken during the current calendar year that were not included in the expenditures set forth in the 2023-2025 Gas Capital Program for that calendar year.

- Summary of expenditures set forth in the 2023-2025 Gas Capital Program and actual capital expenditures for Interference.

- For Gas Infrastructure Replacement or Reduction programs:

[2] The Company's mid-year reports will recognize the fact that this Proposal reflects agreement on the annual forecasts in the 2023-2025 Gas Capital Program, rather than monthly expenditures.

- For the LPP identified and removed under the risk prioritization model:
  - Number of miles removed or abandoned by material.
  - The specific location of each section of main removed or abandoned.
- For the LPP removed under all Other capital expenditure programs:
  - Number of miles removed or abandoned by material.
  - The specific location of each section of main removed or abandoned.
- Annual ranking of Total Population LPP by Main Replacement Prioritization Model with segment ID only:
  - Rank of segments expected to be removed in current rate year with segment ID and location.
  - As part of year-end report, identify actual segments removed as compared to expected.
- Actual cost of removal by material, by region.
- The amount of and calculation for any incremental costs the Company recovers through the Safety and Reliability Surcharge Mechanism.

- Rehabilitation of Large Diameter Gas Mains
  - For CISBOT (Cast Iron Joint Sealing Robot)
    - The number of joints rehabilitated
    - The specific location of each section of main that is rehabilitated.
    - Actual cost of CISBOT by region.
    - Results of integrity verification using an internal camera and an external pit at tie-in locations (including assessment for graphitization for cast iron mains) where rehabilitation work is planned
    - Any repairs completed on CISBOT joints
  - For CIPL (Cure in Place Liner)
    - Number of feet rehabilitated by material.
    - The specific location of each section of main rehabilitated.
    - Actual cost of CIPL by material, by region
    - Results of integrity verification using an internal camera

and an external pit at tie-in locations where rehabilitation work is planned

  - Any repairs completed on lined mains

- Summary of O&M related to the Company's gas service line inspection program

Appendix 13 -- Safety and Reliability Surcharge Mechanism

Consolidated Edison Company of New York, Inc.
Case 22-G-0065
Safety and Reliability Surcharge Mechanism (SRSM)

The Safety and Reliability Surcharge Mechanism ("SRSM") allows Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") to: 1.) recover the carrying costs on a capped amount of incremental capital expenditures and uncapped O&M expenses associated with the replacement of Leak Prone Pipe ("LPP") above the levels established under the Gas Rate Plan; and 2.) recover incremental O&M expenses associated with lowering the Company's leak backlog.

A. LPP Replacement

The SRSM allows Con Edison to recover the carrying costs on incremental capital expenditures and O&M expenses associated with the replacement of LPP above the levels established under the Gas Rate Plan, subject to the conditions set forth below:

1.) Both the actual costs of LPP replacement incurred by the Company in total across all regions and the actual LPP footage replaced by the Company under the Gas Infrastructure Replacement or Reduction Program[1] as of the end of the applicable Rate Year must exceed the targets[2] shown below in Table 1:

Table 1	2023 (RY1)	2024 (RY2)	2025 (RY3)
Miles of Main Replaced	75	75	75
Capital Spending (000's)	$370,007	$418,959	$439,897

2.) Incremental actual costs are recoverable up to the capital and O&M caps set forth below in Table 2:

Table 2 Capital Cost Cap Per foot by area	2023 (RY1)	2024 (RY2)	2025 (RY3)
New York City	1,108	1,254	1,317
Westchester	761	862	905
O&M Cost Cap per foot by area	**2023 (RY1)**	**2024 (RY2)**	**2025 (RY3)**
New York City	26	27	28
Westchester	11	11	12

[1] This covers the following programs listed under Exhibit GIOP-1: Replace Corroded Steel Mains and Replace Cast Iron Mains.

[2] The Company must also meet the overall targets in each rate year (*i.e.*, 76 in RY1, 76 in RY2 and 76 in RY3, and a cumulative three year target of 240) to be eligible for recovery under this mechanism.

3.) Recovery of incremental capital LPP costs under the SRSM will be capped at three miles for the cumulative three-year term (RY1-RY3) of the Gas Rate Plan.

4.) Recovery of the incremental costs is to begin no earlier than March 1st of each year following the end of the applicable Rate Year (*e.g.*, recovery of incremental O&M costs incurred in RY1 will begin on March 1, 2024 and be recovered over a 12 month period through February 2025 while the carrying charges associated with the incremental capital costs will be recovered until base rates are reset in the next rate case). Carrying charges on incremental capital associated with the new mains will be calculated based on a book life of 85 years, a tax life of 20 years, and an estimated property tax factor of 3%.

Page 4 of this Appendix provides several examples that demonstrate how the LPP portion of the SRSM will work under various potential scenarios. Page 5 of this appendix provides an example of the capital carrying costs calculation.

B. Leak Backlog

The SRSM will also allow the Company to recover incremental O&M expenses associated with lowering the Company's leak backlog, subject to the conditions set forth below:

1.) The actual leak backlog level the Company achieves is below the applicable Rate Year target (as described in the Gas Performance Measures Appendix 19) and the Company exceeds the annual rate allowance for leak repairs as set forth in Table 3:

Table 3	2023 (RY1)	2024 (RY2)	2025 (RY3)
O&M Spending (000's)	$45,209	$45,971	$46,739

2.) Recovery will be capped at the lesser of the total incremental cost or $5,100 per actual leak repaired below the applicable target.

Recovery of the incremental costs is to begin no earlier than March 1st, of each year following the end of the applicable Rate Year (*e.g.*, recovery of incremental O&M costs incurred in RY1 will begin on March 1, 2024 and be recovered over a 12 month period through February 2025).

Consolidated Edison Company of New York, Inc.
Gas Case 22-G-0065
Safety and Reliability Surcharge Mechanism Incremental Cost Example

GIRR Example for 2023 (RY1)
** NYC includes the regions of Manhattan, Bronx, and Queens*

Targets	NYC	Westchester	Total
Target Mileage	37.5	37.5	75
Target Capital	$ 219,327,761	$ 150,679,669	$ 370,007,430
$Capital/ft Cap	$ 1,108	$ 761	
Target O&M	$ 5,110,681	$ 2,120,284	$ 7,230,965
$O&M/ft Cap	$ 26	$ 11	
LPP MAC Factor	2%	1%	

Scenario 1	NYC	Westchester	Total
Actual Mileage	35.00	39.00	74
Actual Capital	$ 225,000,000	$ 151,000,000	$ 376,000,000
Actual Capital/ft	$ 1,218	$ 733	
Recoverable Capital	**$ -**	**$ -**	**$ -**

Scenario 1 Result: No additional recovery, total target miles not exceeded.

Scenario 2	NYC	Westchester	Total
Actual Mileage	40.0	36.0	76
Actual Capital	$ 218,000,000	$ 149,000,000	$ 367,000,000
Actual Capital/ft	$ 1,032	$ 784	
Recoverable Capital	**$ -**	**$ -**	**$ -**

Scenario 2 Result: No additional recovery, total target capital costs not exceeded.

Scenario 3	NYC	Westchester	Total
Actual Mileage	38	38	76
Actual Capital	$ 222,000,000	$ 152,000,000	$ 374,000,000
Actual Capital/ft	$ 1,106	$ 758	
Incremental Miles	0.5	0.5	1.0
Incremental Cost Spent over Target Capital (A)	**2,672,239**	**1,320,331**	**3,992,570**
Incremental Cost/ft	1,012	500	
Lessor of Actual or Cap Cost/ft	1,012	500	
Incremental Cost at Cost/ft Cap (B)	**2,672,239**	**1,320,331**	**3,992,570**
Recoverable O&M (capital x O&M factor)	62,267	18,579	80,846
Recoverable Capital (the lesser of A or B total)	**$ 2,672,239**	**$ 1,320,331**	**$ 3,992,570**

Scenario 3 Result: Company recovers carrying costs on $3.99M of incremental capital plus $81K of incremental O&M.

Scenario 4	NYC	Westchester	Total
Actual Mileage	38	39	76
Actual Capital	$ 219,000,000	$ 154,000,000	$ 373,000,000
Actual Capital/ft	$ 1,106	$ 758	
Incremental Miles		1.0	1.0
Incremental Cost Spent over Target Capital (A)		3,320,331	2,992,570
Incremental Cost/ft		629	
Lessor of Actual or Cap Cost/ft		629	
Incremental Cost at Cost/ft Cap (B)		**3,320,331**	**3,320,331**
Recoverable O&M (capital x O&M factor)		46,722	46,722
Recoverable Capital (the lesser of A or B total)		**$ 3,320,331**	**$ 3,320,331**

Scenario 4 Result: Company recovers carrying costs on $3.32M of incremental capital plus $46.7K of incremental O&M.

Consolidated Edison Company of New York, Inc.

Gas Case 22-G-0065

Example of Revenue Requirement Calculation for Safety and Reliability Surcharge Mechanism

Assumed incremental capital amount spent in RY1, meets all requirements for recovery. $ 3,992,570

	2023	2024	2025
Plant in Service			
Beginning of Period	$ -	$ 3,946,456	$ 3,854,227
Addition	3,992,570	-	-
Depreciation	(46,114)	(92,228)	(92,228)
End of Period	3,946,456	3,854,227	3,761,999
Average Net Plant in Service	1,973,228	3,900,342	3,808,113
Average Deferred FIT and SIT Balance*	(6,862)	(46,493)	(109,134)
Average Net Rate Base	1,966,366	3,853,849	3,698,979
Pre Tax Rate of Return	8.32%	8.37%	8.42%
Earnings Base	164,173	326,459	320,643
Earnings - Expenses			
Income Tax - Removal Cost	6,016	12,866	12,866
Book Depreciation**	46,114	92,228	92,228
Property Taxes***	65,734	131,467	131,467
Total Earnings Effects	282,036	563,020	557,205
Gross-Up Factor	0.97	0.97	0.97
Revenue Requirement	$ 274,026	$ 547,031	$ 541,380

2023+2024 to be recovered March 2024 to February 2025 1/12th per month	$ 821,057

2025 to be recovered March 2025 to February 2026**** 1/12 per month	$ 541,380

Notes:

*Assumed tax life of 20 years

**Assumed book life of 85 years

***Assumed estimated property tax factor of 3%

****Surcharge recovery will end in December 2025 if new rates go into effect January 2026.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

AVERAGE SERVICE LIVES, NET SALVAGE

ANNUAL DEPRECIATION RATES AND LIFE TABLES

(EFFECTIVE 1/1/2023)

PSC ACCT NUMBER	ACCOUNT DESCRIPTION	LIFE TABLE	AVERAGE SERVICE LIFE (Years)	NET SALVAGE %	ANNUAL RATE %	
ELECTRIC PLANT						
PRODUCTION PLANT - STEAM PRODUCTION						
311000	E Structures & Improvements	L1	90	(30)	3.41	(F)
312000	E Boiler Plant Equipment	L0.5	60	(30)	4.05	(F)
314000	E Turbogenerator	S1	45	(30)	3.76	(F)
315000	E Accessory Electric Eq	S1	45	(30)	4.20	(F)
316000	E Misc Power Plant Equipment	S1	50	(30)	4.03	(F)
	Production Plant - Other Production					
341000	E Structures & Improvements	R1	95	(10)	4.15	(F)
342000	E Fuel Holders	L0.5	70	(10)	6.00	(F)
344000	E Gen Hudson Avenue	S1	55	(10)	5.36	(F)
344100	E Solar Generators	S3	20	0	5.00	(F)
345000	E Accessory Electric Eq	R1.5	60	(10)	5.33	(F)
348000	E Storage Equipment	S3	15	0	6.67	(F)
TRANSMISSION PLANT						
303090	E Cap Sftw for Electric Tran	SQ	5	-	20.00	(D)
303091	E Cap Sftw for Electric Tran Cloud	SQ	5	-	20.00	(D)
351000	E Storage Equipment	S3	15	0	6.67	
352000	E Structures & Improvements	R2	75	(50)	2.00	
353000	E Station Equipment	S0	50	(40)	2.80	
354000	E Towers & Fixtures	R4	65	(30)	2.00	
356000	E O/H Conductors & Devices	R2	55	(35)	2.45	
357000	E UG Conduit	S4	70	(15)	1.64	
357200	E U/G Conduit - Manhattan/Br	S4	70	(15)	1.64	
358000	E U/G Conductors & Devices	R2.5	60	(25)	2.08	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

AVERAGE SERVICE LIVES, NET SALVAGE

ANNUAL DEPRECIATION RATES AND LIFE TABLES

(EFFECTIVE 1/1/2023)

PSC ACCT NUMBER	ACCOUNT DESCRIPTION	LIFE TABLE	AVERAGE SERVICE LIFE (Years)	NET SALVAGE %	ANNUAL RATE %	
ELECTRIC PLANT						
DISTRIBUTION PLANT						
360000	E Land & LR - Easements/Lshl	SQ	50	-	2.00	
361000	E Structures & Improvements	R2	55	(50)	2.73	
362000	E Station Equipment	R1.5	53	(45)	2.74	
362010	E Station Equipment BQDM DC Link	SQ	10		10.00	
363000	E Energy Storage Equipment	S3	15		6.67	
363010	E Energy Storage Equipment BQDM Brownsville Proj	SQ	10		10.00	
364000	E Poles, Towers and Fixtures	R1	65	(115)	3.31	
303010	E Cap Sftw for Electric Dist	SQ	5	-	20.00	(D)
303011	E Cap Sftw for Electric Dist Cloud	SQ	5		20.00	(D)
303015	E Cap Sftw for Electric Dist (WMS)	SQ	15	-	6.67	(D)
303016	E Cap Sftw for Electric Dist 15 Years Cloud	SQ	15	-	6.67	(D)
365000	E O/H Conductors & Devices	R1	65	(80)	2.77	
366000	E U/G Conduit	R2.5	80	(60)	2.00	(I)
366100	E U/G Conduit - Manhattan/Br	R2.5	80	(60)	2.00	
366010	E U/G Conduit -BQDM	SQ	10	0	10.00	
367000	E U/G Conductors & Devices	R0.5	55	(85)	3.36	
367010	E U/G Conductors & Devices BQDM DC link	SQ	10	0	10.00	
368000	E Line Trnsf O/H	R0.5	33	(20)	3.64	
368100	E Line Trnsf U/G	S0	33	(20)	3.64	
368110	E Transformers BQDM	SQ	10	0	10.00	
369100	E Services - O/H	R1	70	(180)	4.00	
369200	E Services - U/G	R1	70	(155)	3.64	
370100	E Meters - Purchases (Electro-Mechanical)	R0.5	35	(5)	3.00	
370110	E Meters - Purchases (Solid-State)	S1	20	(5)	5.25	
370120	E Meters - Purchases AMI	S2	20	0	5.00	
370150	E Meters - Unrecovered EM Purchases	R0.5	35	(5)	3.00	
370160	E Meters - Unrecovered SS Purchases	S1	20	(5)	5.25	
370200	E Meters - Install (Electro-Mechanical)		35	-	2.86	
370210	E Meters - Install (Solid-State)		20	-	5.00	
370310	E Meters - Install (AMI)	S2	20	-	5.00	
370250	E Meters - Unrecovered EM Install		35	-	2.86	
370260	E Meters - Unrecovered SS Install		20	-	5.00	
371000	E Inst on Cust Prem	R2	60	(5)	1.75	
373100	E St Lt & Sig Sys - O/H	R0.5	50	(120)	4.40	
373200	E St Lt & Sig Sys - U/G	R0.5	70	(110)	3.00	
GENERAL PLANT						
392100	E Truck Automobile	SQ	8	10	11.25	
392200	E Light Truck Automobile	SQ	8	10	11.25	
397000	E Communication Equipment	SQ	15		6.67	
PLANT HELD FOR FUTURE USE						
Transmission Plant						
357300	E UG Conduit Fu		-		-	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

AVERAGE SERVICE LIVES, NET SALVAGE

ANNUAL DEPRECIATION RATES AND LIFE TABLES

(EFFECTIVE 1/1/2023)

PSC ACCT NUMBER	ACCOUNT DESCRIPTION	LIFE TABLE	AVERAGE SERVICE LIFE (Years)	NET SALVAGE %	ANNUAL RATE %	
GAS PLANT						
NATURAL GAS STORAGE PLANT						
OTHER STORAGE PLANT						
361000	G Str & Impr - Liquefied Sto	S0.5	80	(15)	6.21	(F)
362100	G Gas Holders - Liq Stg	S2.5	80	(15)	2.58	(F)
363000	G Purification Equipment	R2.5	70	(15)	4.83	(F)
363100	G Liquefaction Equipment	R4	70	(15)	5.00	(F)
363200	G Vaporizing Equipment	S2.5	40	(15)	5.33	(F)
363300	G Compr Eq - Liq Stg	R3	60	(15)	4.31	(F)
363400	G Meas & Reg Eq.- Liq Stg	S1	30	(15)	4.85	(F)
363500	G Other Eq - Liq Stg	S0	60	(15)	6.55	(F)
TRANSMISSION PLANT						
366000	G Structures & Improvements	S0.5	45	(50)	3.33	
367100	G Gas Mains- All Other	R2.0	80	(85)	2.31	(B)
367200	G Gas Mains - Cast Iron	SQUARE	Dec 2040	(110)		(H)
367300	G Gas Mains - Tunnel	S4	90	(90)	2.11	
368000	G Compressor Station Eq	R3	35	(20)	3.43	
369000	G Meas & Reg Stn Eq	S0	50	(30)	2.60	
DISTRIBUTION PLANT						
376120	G Gas Mains - All Other	R2.0	80	(85)	2.31	(B)
376121	G GasMains -Leak Prone Pipe	SQUARE	Dec 2040	(85)		(B) (H)
376110	G Gas Mains - Cast Iron	SQUARE	Dec 2040	(110)		(B) (H)
380100	G Gas SERVICES	R1	55	(65)	3.00	(B)
380101	G Gas SERVICES - LPP	SQUARE	Dec 2040	(65)		(B) (H)
381000	G Meters - Purchases	R0.5	35	(10)	3.14	
381100	G Meters - AMI Purchases	S2	20	0	5.00	
381150	G Meters - Unrecovered Meter Purchases	R0.5	35	(10)	3.14	
382000	G Meters - Installations	R0.5	35		2.86	
382100	AMI G Meters - Installations	S2	20	-	5.00	
382150	G Meters - Unrecovered Meter Install	R0.5	35	-	2.86	
383000	G House Reg - Pch	R2	45	(10.00)	2.44	
384000	G House Reg - Inst	R2	45	-	2.22	
	General Plant					
303020	G Cap Sftw for Gas 5 yr	SQ	5	-	20.00	(D)
303021	G Cap Sftw for Gas 5 yr Cloud	SQ	5		20.00	(D)
392100	G Truck Automobile	SQ	8	10	11.25	
397000	G Communication Equipment	SQ	15		6.67	
397500	G Communication Equipment NG detectors	SQ	5	-	20.00	(D)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

AVERAGE SERVICE LIVES, NET SALVAGE

ANNUAL DEPRECIATION RATES AND LIFE TABLES

(EFFECTIVE 1/1/2023)

PSC ACCT NUMBER	ACCOUNT DESCRIPTION	LIFE TABLE	AVERAGE SERVICE LIFE (Years)	NET SALVAGE %	ANNUAL RATE %	
COMMON PLANT						
INTANGIBLE PLANT						
303060	C Cap Sftw for C Plant 5 yr	SQ	5	-	20.00	(D)
303260	C Cap Sftw for C Plant 5 yr Cloud	SQ	5		20.00	(D)
303070	C Cap Sftw for C Plant 10 yr	SQ	10	-	10.00	(D)
303270	C Cap Sftw for C Plant 10 yr Cloud	SQ	10	-	10.00	(D)
303080	C Cap Sftw for C Plant 15 yr					
	HR Payroll	SQ	15	-	7.00	(D)
	Project One	SQ	15	-	7.00	(D)
	PowerPlant	SQ	15	-	7.00	(D)
303280	C Cap Sftw for C Plant 15 yr Cloud	SQ	15	-	6.67	(D)
303090	C AMI software	SQ	20		5.00	(D)
303290	C AMI software Cloud	SQ	20		5.00	(D)
303400	C Oracle Strategic Agreement	SQ	15	-	7.00	(D)
GENERAL PLANT EQUIPMENT						
390100	C Struct & Improv TRC A	S0	55	(40)	2.55	
390200	C Struct & Improv TRC B	S0	55	(40)	2.55	
390300	C Struct & Improv TRC C	S0	55	(40)	2.55	
391700	C OFE. - EDP Eq	SQ	8	5	12.00	(E)
391720	C OFE. - EDP Eq - ERRP	SQ	8	5	11.88	(E)
391100	C OFE. - Furniture	SQ	18	-	6.00	(E)
391200	C OFE. - Office Machines	SQ	18	-	6.00	(E)
392100	C Tr. Eq. - Automobiles	SQ	8	10	11.00	(E)
392200	C Tr. Eq. - Light Trucks	SQ	8	10	11.00	(E)
392300	C Tr. Eq. - Heavy Trucks	SQ	8	10	11.00	(E)
392400	C Tr. Eq. - Tr. & Mtd.Equip.	SQ	8	10	11.00	(E)
392500	C Tr. Eq. - Buses	SQ	8	10	11.00	(E)
392600	C Tr. Eq. - Tractors	SQ	8	10	11.00	(E)
393000	C Stores Equipment	SQ	20	5	5.00	(E)
394000	C Tools, Shop & Garage Eq	SQ	18	5	5.00	(E)
395000	C Laboratory Equipment	SQ	20	-	5.00	(E)
396000	C Power Operated Equipment	SQ	12	10	8.00	(E)
397000	C Comm. Eqment	SQ	15	-	7.00	(E)
397100	C AMI Comm. Eqment	SQ	15	-	7.00	(E)
397200	C Light Tower Lease					(G)
398000	C Misc. Equip.	SQ	20	-	5.00	(E)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

AVERAGE SERVICE LIVES, NET SALVAGE

ANNUAL DEPRECIATION RATES AND LIFE TABLES

(EFFECTIVE 1/1/2023)

NONUTILITY PROPERTY

304700	NU Nonutility Telecom	SQ	10	0	10.00

NOTES

(B) **Gas Plant in Service other than Interruptible Gas Plant.**
(D) **Amortization in accordance with the Software Accounting Guideline.**
(E) **Effective 1/1/95, investment in account is being amortized in accordance with the method specified in Case No. 93-M-1098.**
(F) **Life span method is used. Curve shown is interim survivor curve.**
(G) **Light Tower Lease is amortized by Accounting Research and Procedures**
(H) **Existing pipe to be replaced under the Company's main replacement program will be amortized by 2040.**

CE -G-376121	**Mains -Leak Prone Pipe**	**$**	**416,920**	**Annual amortization**
CE -G-376110	**Mains -Cast Iron Mains**	**$**	**2,256,165**	**Annual amortization**
CE -G-380101	**Service -Leak Prone**	**$**	**1,267,068**	**Annual amortization**
CE -G-367200	**Cast Iron MAINS & SLEEVES**	**$**	**57,553**	**Annual amortization**

(I) **The underground structure cover and the associated components such as latches are an independent retirement unit.**

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Cases 22-E-0064, 22-G-0065

Common Allocation Factors

	Electric	Gas	Steam
Administrative & General Expenses (FERCs 9200 - 9350)	77.60%	15.95%	6.45%
Customer Accounting Expenses (FERCs 9010 - 9160)	84.00%	16.00%	-
Taxes Other than Income Taxes/Property Taxes	77.60%	15.95%	6.45%
Common Plant (including Property Taxes on Common Plant)	83.00%	17.00%	-
Common M&S	77.00%	17.00%	6.00%

Electric Revenue Allocation and Rate Design

Revenue Allocation

Based on a three-year rate plan, the delivery revenue change for each Rate Year includes: (1) changes in delivery related revenues, e.g., total T&D revenue, including competitive and non-competitive amounts; (2) a decrease in the revenue requirement associated with the retained generation component of the MAC (Rate Year 1 only); (3) changes in the purchased power working capital component of the Merchant Function Charge ("MFC"); (4) increases in delivery revenue associated with incremental energy efficiency costs; and (5) an increase in delivery revenue to offset the projected decrease in revenue associated with the Low-Income Program and Reconnection Fee Waiver Program (Rate Year 1 only).

The decrease in the MAC revenue requirement for Rate Year 1 was allocated to Con Edison full service and retail access customers. The changes to the purchased power working capital are allocable only to Con Edison full service customers. The increase in delivery revenue associated with energy efficiency cost recovery was allocated to Con Edison full service and retail access customers. The Recharge New York ("RNY") bill credit that offsets energy efficiency costs recovered in base delivery rates will increase to reflect the increased level of energy efficiency costs recovered in base delivery rates. This will permit RNY customers to continue to receive an exemption from cost recovery associated with energy efficiency programs. The T&D delivery revenue change, including incremental Low Income costs and Reconnection Fee Waiver costs, was allocated to Con Edison customers and NYPA delivery service.

The Rate Year T&D delivery revenue change, less gross receipts taxes, for each Rate Year was allocated among the classes in four steps:

Step 1: Revenue Realignment

Con Edison and NYPA T&D delivery revenues were realigned in each Rate Year to address one-third of the revenue surpluses/deficiencies resulting from the Company's 2019 Embedded Cost of Service ("ECOS") study before applying the otherwise applicable revenue changes. The specific revenue adjustments are set forth in Table 1 of this Appendix.

Surplus classes are Service Class ("SC") 2, and SC 9 time of day ("TOD"). Deficient classes are SC 1, SC 5 non-TOD, SC 6, SC 8 non-TOD, SC 12 and NYPA. SC 5 TOD, SC 8 TOD, and SC 9 non-TOD are average classes (i.e., neither surplus nor deficient).

The revenue surpluses/deficiencies from Table 1 applicable to each customer class are also shown on Table 2 of this Appendix. The revenue surpluses/deficiencies are shown on column B1 of Table 2 and were added to the bundled T&D revenue before the revenue change to establish the re-aligned bundled T&D revenue column B2 of Table 2.

Step 2: Allocation of T&D Revenue Change

The Rate Year T&D delivery revenue change was adjusted for changes to: (1) the MAC revenue requirement; (2) purchased power working capital; (3) energy efficiency cost recovery in base delivery rates; and (4) costs associated with the Low Income Programs including the Reconnection Fee Waiver Program. The resultant Rate Year T&D related delivery revenue increase was then allocated as a uniform percentage increase (at column B3 of Table 2) to Con Edison and NYPA classes in proportion to their respective re-aligned bundled T&D revenues shown in column B2 of Table 2, with an adjustment made to each class's T&D related delivery revenue change to reflect the ECOS revenue adjustments from Step 1. The portion of the revenue increase associated with the change in energy efficiency cost recovery is allocated to Con Edison full service and retail access customers, including RNY loads, based on their sales consumption and is reflected in column C1 of Table 2.

For each rate year, mitigation adjustments are made in columns C4 to C7 to limit class increases or decreases to 1.5 times the system average increase for bundled T&D delivery revenue. Mitigating adjustments were made to SC 6 and SC 12 TOD.

The resultant total T&D delivery changes are shown in column C8 of Table 2.

For Rate Year 1, the $96.1 million increase in the level of Low Income Program discounts (i.e. $166.3 million less $70.2 million), as explained in the Joint Proposal, was allocated to Con Edison classes and NYPA based on each class's pro rata share of bundled T&D delivery revenues. The incremental cost associated with the low income reconnection fee waivers reflected in the revenue allocation is $960,965 and includes recovery of the estimated annual reconnection fee waiver costs in excess of the costs at the current level (i.e., $1,662,592 less $701,627).

Step 3: Allocation of MAC Decrease, Changes to Purchased Power Working Capital, Energy Efficiency Credit to RNY Customers, and Changes to the Low Income Discount Program with Reconnect Fee Waiver

The impacts of the changes to the MAC revenue requirement (Rate Year 1 only) and Purchased Power Working Capital component of the MFC are shown in columns D1 and D2, respectively, of Table 2 (for Rate Years 1, 2 and 3). The per kWh decrease in the MAC revenue requirement and the per kWh change in the Purchased Power Working Capital component of the MFC do not vary by customer class. The MAC decrease is applicable to Con Edison full service and retail access customers and the change in the Purchased Power Working Capital component is applicable only to Con Edison full service customers.

Since recovery of energy efficiency costs in base delivery rates does not apply to RNY loads, a credit is applied to RNY loads. The credit for RNY loads was developed by dividing the revenue requirement associated with energy efficiency costs by total sales and applying the resultant per kWh rate to the estimated RNY sales. This credit is reflected in column D3 of Table 2 (for Rate Years 1, 2 and 3).

The impact of the change in Low Income Discount and the costs associated with the Reconnect Fee Waiver are applicable to SC1 customers and shown in column D4 of Table 2 (Rate Year 1 only).

Step 4: Total Class Revenue Changes

The total revenue changes in Rate Years 1, 2 and 3 for each class are equal to the sum of the items described in Steps 2 and 3 (i.e., column D in Table 2).

For Con Edison customers, the delivery revenue changes assigned to each class were determined as follows: (1) the T&D delivery revenue change for each Rate Year was allocated among non-competitive revenues, customer charge revenues, reactive power demand charge revenues and competitive revenues; (2) Customer charges for: (a) SCs 1, 2 and 6; (b) SCs under mandatory TOD; (c) SCs under voluntary TOD; and (d) non-TOD demand billed classes were changed as discussed in the Rate Design section of this Appendix.

The Rate Year "non-competitive delivery revenue change" for each class was determined by adjusting the total Rate Year T&D related delivery revenue change allocated to each class by the changes in competitive service revenues, customer charge revenues, and reactive power demand charge revenues for each class. Non-competitive T&D delivery revenue changes for each class were restated for the historic period (i.e., the twelve months ended December 31, 2019), the period for which detailed billing data were available. Revenue ratios were developed for each class by dividing the Rate Year non-competitive T&D revenues, less customer charge revenue, for each class by the historic period non-competitive T&D revenues, less customer charge revenue, for each class at the current rate level. For NYPA, the Rate Year T&D change was divided by the applicable revenue ratio to determine the rate change applicable for the historical period. The revenue ratio for each class was then applied to the Rate Year "non-competitive delivery revenue change" for each class to determine each class's "non-competitive delivery revenue change" for the historic period.

Rate Design

Revenue Neutral Rate Changes at Current (1/1/2022) Rate Level

Prior to adjusting delivery rates to reflect the rate changes allocated to the SCs for each Rate Year, demand and energy charges were redesigned revenue neutral to the January 1, 2022, rate level (i.e., producing the same level of revenue) to better align revenues with costs for certain demand-billed classes as described below.

A. Shift of Seven Percent of Usage Revenues into Demand Revenues
   Demand and energy rates were redesigned to reflect revenue neutral changes to shift seven percent of usage revenues into demand revenues for Rate I of SCs 5, 8, 9 and 12. The revenue neutral shift was performed for each rate year.

B. Adjustment to High Tension/Low Tension Differentials
   The high tension / low tension rate differential for each demand billed class refers to ratio of annualized high tension demand rates to annualized low tension demand rates. These high tension / low tension rate differentials are compared with high tension / low tension cost differentials based on the 2019 ECOS study. An adjustment to the high tension / low tension rate differential for a class is made when the difference between the high tension / low tension rate differential and high tension / low tension cost differential is greater than or equal to 5 percentage points. Based on this threshold, high tension / low tension rate differentials were adjusted in Rates I and II of SC 5 and NYPA Rate I. In the interest of gradualism, these adjustments were phased in over the three Rate Years.

   A summary of the adjustments to the high tension / low tension rate differentials is shown on Table 3.

C. Adjustment to Seasonal Rate Differentials
   Adjustments were made in the SC 8 TOD and SC 9 TOD classes to adjust seasonal delivery revenue ratios to begin to gradually approach the seasonal delivery cost ratios. For each selected class, a three-step process was performed to establish a target seasonal delivery revenue ratio and adjust seasonal delivery revenue, on a revenue-neutral basis, to approach the new target ratio.

   Step one consists of adjusting the seasonal delivery revenue ratio by 10 percent of the difference between the current seasonal delivery revenue ratio and the seasonal cost ratio to establish a new target seasonal delivery revenue ratio. In order to approach the new target seasonal delivery revenue ratio, step two involves applying a percentage adjustment to the winter revenue, and an offsetting adjustment to summer revenue to redesign rates at the current level on a revenue-neutral basis. The revenue adjustment was applied to the non-competitive delivery revenue. For step three, the rates were redesigned based on the revised summer and winter revenues from step two.

   These adjustments result in summer to winter revenue ratios changing to make gradual progress (i.e., 10 percent of the difference) towards the summer to winter cost ratios.

Design of Rates to Collect Change in Revenue Requirement

A. Non-Competitive Con Edison T&D Delivery Rates

1. The changes to the customer charges are summarized in the following table and further discussed below.

	Current	Proposed		
Electric Service Class	2022	RY1 (2023)	RY2 (2024)	RY3 (2025)
SC 1 Rate I, Rider Z, Rider AB	$17.00	$18.00	$19.00	$20.00
SC 1 Rate II & III	$21.46	$18.00	$19.00	$20.00
SC 1 Rate IV	$27.00	$28.00	$29.00	$29.00
SC 2 Rate I, Rider AA	$28.10	$30.00	$32.00	$33.00
SC2 Rate II	$32.56	$30.00	$32.00	$33.00
SC 6	$36.60	$40.00	$44.00	$47.00
Mandatory TOD (Demand-Billed)	$143.09	$500.00	$500.00	$500.00
Voluntary TOD (Demand-Billed)				
SC 8 Rate III	$12.45	$51.00	$55.00	$58.00
SC 9 Rate III	$12.45	$62.00	$66.00	$71.00
SC 12 Rate III	$12.45	$32.00	$34.00	$37.00
Non-TOD (Demand-Billed)				
SC 5 Rate I	N/A	N/A	$46.00	$49.00
SC 8 Rate I	N/A	N/A	$55.00	$58.00
SC 9 Rate I	N/A	N/A	$66.00	$71.00
SC 12 Rate I	N/A	N/A	$34.00	$37.00

1. The customer charges for SCs 1, 2 and 6, including voluntary TOD rates, were changed to move them closer to the customer costs indicated in the 2019 ECOS study. The monthly customer charges for SC 1 Rate I, Rider Z and Rider AB were increased over the three-year term from $17.00 to $18.00 in Rate Year 1, $19.00 in Rate Year 2, and $20.00 in Rate Year 3. The customer charges for SC 1 Rates II and III were set consistent with SC 1 Rate I. This results in increases for SC 1 Rate II and III customers who annually register a plug in electric vehicle with the Company, since they are currently assessed the lower SC1 Rate I customers charge, and decreases for other SC 1 Rate II and III customers. The customer charge for the optional demand-based rate under SC 1 Rate IV was updated based on the full customer cost set forth in the 2019 ECOS study. The customer charge was increased from $27.00 to $28.00 in Rate Year 1 and $29.00 in Rate Year 2.

   For SC 2, the monthly customer charges for Rate I and Rider AA were increased over the three-year term from $28.10 to $30.00 in Rate Year 1, $32.00 in Rate Year 2 and $33.00 in Rate Year 3. The customer charge for SC 2 Rate II was set consistent with SC 2 Rate I and results in an initial decrease from $32.56 to $30.00

in Rate Year 1, and increases to $32.00 and $33.00 in Rate Years 2 and 3, respectively. The customer charge for SC 6 was increased over the three-year term from $36.60 to $40.00 per month in Rate Year 1, $44.00 in Rate Year 2 and $47.00 in Rate Year 3.

2. For the non-TOD demand billed classes, minimum charges (i.e., charges for the first 5 kW or less in Rate I of SCs 5, 9 and 12 and charges for the first 10 kW or less in Rate I of SCs 8 and 12) were increased in Rate Year 1 based on the class percentage increase after taking into consideration adjustments for any shift from usage to demand revenue and adjustments to high tension / low tension differentials. In Rate Year 2, customer charges were developed to replace these minimum charges. The customer charges for each class were determined by subtracting the value of 5 kW of demand (based on the rate for demand use over 5 kW) from the minimum charge. The seasonal weighted average of these values for each class was then escalated by the Rate Year 1 and Rate Year 2 class-specific delivery revenue increase percentages to set Rate Year 2 rates. The Rate Year 2 values were then further escalated by the Rate Year 3 class-specific delivery revenue increase percentages to set Rate Year 3 rates. The resulting rates are shown in the table above. With elimination of minimum charges beginning in Rate Year 2, demand charges will apply to all kW of demand.

3. For the mandatory TOD demand classes, the customer charges were increased from $143.09 to $500.00. The $500 customer charge is based on the lowest customer cost value for the mandatory TOD classes (i.e., SC 5 Rate II).

4. The customer charges for the voluntary TOD demand classes were increased over the three-year term. These customer charges were developed in the manner described above for the non-TOD demand billed customer charges to be introduced in Rate Year 2, however, this methodology is used beginning in Rate Year 1 for the voluntary TOD demand billed classes. The resulting customer charges are shown in the table above.

5. The per kWh charges in SC 1 Rate I, SC 2 Rate I and SC 6 were changed to recover the non-competitive T&D delivery revenue increase, net of the change in customer charge revenue, assigned to each respective rate class.

6. Voluntary TOD rates for SC 1 Rates II and III were designed to recover the overall SC 1 non-competitive delivery revenue requirement. Such rates were designed to be revenue neutral, i.e., the rates yield the same level of SC revenues that the Company would receive under the proposed non-TOD rates. For Rate Year 1, the off-peak Domestic Hot Water Storage rate (Special Provision D) for SC1 Rate II was set equal to the SC 1 Rate II off-peak energy delivery rates. With the expiration of SC 1 Rate II Special Provision D on December 31, 2023, there was no adjustment made for this provision effective Rate Year 2 since any remaining customers on Special

Provision D would no longer be served under that provision.

7. Consistent with past practice, voluntary TOD rates for SC 2 Rate II were designed to recover the overall SC 2 non-competitive T&D related delivery revenue requirement. The rates were designed to be revenue neutral, i.e., the rates yield the same level of SC revenues that the Company would receive under the proposed conventional rates.

8. The revenue neutral redesigned demand charges of Rate I of SCs 5, 8, 9 and 12 (including the effects of any development of customer charges, shift of usage revenue to demand revenue and any applicable adjustments to high tension/low tension differentials), were changed to recover the remaining non-competitive T&D delivery revenue requirement applicable to each class. The per kWh charges for Rate I of SCs 5, 8, 9 and 12 were maintained at the level resulting from the revenue neutral shift of seven percent of usage revenues into demand revenues described above.

9. For SC 12 non-TOD customers billed for energy only (i.e., SC 12 Rate I), the per kWh charges and the minimum charge were increased by the non- competitive T&D delivery rate percentage change applicable to SC 12 (Rate I) customers. For SC 12 Rate III energy only, rates are set equal to SC 2 Rate II rates.

10. The revenue neutral redesigned demand charges associated with mandatory TOD rates in SC 5, 8, and 9, 12, and 13 (including the effects of any adjustments to high tension / low tension differentials and seasonal rate differentials) and the voluntary TOD rates for SC 8, 9, and 12, were developed to collect the remaining revenue requirement applicable to these classes, after adjusting for changes in customer charges, through changes in demand charges. The per kWh rates were maintained at the current rate levels, which are equal across classes, for all three Rate Years. Voluntary TOD rates were designed to recover the applicable class revenue requirement of all customers not billed under mandatory TOD rates.

11. Standby rates were developed consistent with the Commission's Opinion 01-04, Opinion and Order Approving Guidelines for the Design of Standby Service Rates, issued and effective October 26, 2001 ("Standby Rates Order") in Case 99-M-1470. In accordance with the standby rate guidelines, rates were developed for each standby class to be revenue neutral at the revised revenue level. The Standby Rates Order (p. 7) defines revenue neutral to mean that "the full service class (not any individual customer) would contribute the same revenues if the full class was priced under either the standard SC rates or the standby rates (given the historic usage patterns of the customers in that class)." The standby rates for SC 9 customers that are eligible for station-use rates (e.g., wholesale generators) taking service through the Company's distribution system were determined by removing the transmission component from the matrix contained in Appendix A of the PSC's Order of July 29, 2003, in Case 02-E-0781. Standby rates for SC 13 (Rate II) were developed by

increasing the current rates by the non-competitive T&D delivery revenue percentage increase applicable to SC 13 Rate I. Customer charges for standby rates were based upon full customer costs including metering costs.

12. The customer charges and distribution contract demand charges in SC 11 Buy- Back Service were set equal to the customer charges and contract demand charges of the standby rates for the respective class.

13. The reactive power charges were increased to $2.38 per billable kVar.

14. Rates for the Company’s Innovative Pricing Pilot under Rider Z and Rider AA, applicable to SC 1 and SC 2 customers, were calculated using the methodology approved by the Commission in its Order Approving Tariff Amendments with Modifications, issued December 13, 2018, in Case 18-19 E-0397. However, where this methodology resulted in IPP percentage rate changes greater than 1.2 times the percentage rate changes for SC 1 Rate I or SC 2 Rate I, as applicable, increases were limited to 1.2 times the percentage rate changes for SC 1 Rate I or SC 2 Rate I.

15. Rates for the Company’s Smart Home Rate Demonstration Project under Rider AB, applicable to SC 1 customers, were calculated using the methodology approved by the Commission in its Order Approving Tariff Amendments with Modifications, issued February 7, 2019, in Case 18-E-0549.

B. Design of NYPA Delivery Rates

After adjusting any high tension / low tension rate differentials on a revenue neutral basis as described above, Rate I and Rate II charges under the PASNY Tariff were changed by the overall T&D delivery revenue percentage change applicable to NYPA. Reactive power charges, including those applicable to induction generators, were increased to $2.38, the same as the rate set for Con Edison customers. Consistent with the standby rate guidelines, Rate III and IV rates were developed for each class within the PASNY Tariff to be revenue neutral at the proposed revenue level, i.e., Rates III and IV were developed to produce the same delivery revenues as the equivalent non-standby rates.

Certain costs are allocated between NYPA and Con Edison classes based on the PASNY Allocation, which is the ratio of forecasted delivery revenues under the PASNY Tariff to total combined forecasted delivery revenues under the PASNY Tariff and the Electric Tariff for each Rate Year. The determination of the PASNY Allocation for each Rate Year is shown on Table 4.

C. Competitive Delivery Rates

Competitive delivery rates for Con Edison customers, i.e., the MFC including the credit and collection ("C&C") related component of the Purchase of Receivables ("POR") Discount Rate, were set in each Rate Year to reflect the revenue requirement for each Rate Year. The MFC for Con Edison customers consists of two components: a supply-related component, including a purchased power working capital component, and a C&C related component. Separate MFCs are calculated for (1) SC 1 customers, (2) SC 2 customers, and (3) all other customers.

i. For each Rate Year, revised revenue levels for the MFC supply-related components were based on percentages of delivery revenue as determined in the 2019 ECOS study. The resulting revenue requirement was then divided by the Rate Year full service customer sales in each SC group described above to determine the $/kWh supply-related portion of the MFC for each SC group.

ii. The Rate Year revenue requirement for the C&C related component of the MFC was developed by multiplying the total Con Edison T&D Rate Year delivery revenue requirement by the percentage represented by C&C related costs for each SC group described above, inclusive of C&C costs attributable to the POR Discount Rate. The total Rate Year C&C related revenue requirement was split between full service and POR customers based on the respective split of full service and POR forecasted Rate Year kWh sales. The C&C related rate component to be recovered through the MFC from full service customers was then determined by dividing the share of the C&C related Rate Year revenue requirement for each SC group by the corresponding forecasted Rate Year kWh sales.

iii. The C&C related rate component to be recovered through the POR discount rate was set in each Rate Year to reflect the calculated portion of total C&C costs attributable to POR customers, the estimated Rate Year POR kWh sales, and the forecasted level of POR supply costs in the Rate Year.

iv. The proposed rate associated with the purchased power working capital component of the MFC was computed by dividing the purchased power working capital revenue requirement for each Rate Year by forecasted Rate Year full-service customers' sales to derive a per kWh charge that was added to the applicable competitive supply related MFC component for each SC group.

v. The charge for uncollectible-bill expense associated with supply will continue to be based upon actual supply costs for each month included in the Market Supply Charge ("MSC") and Adjustment Factors – MSC charges. The uncollectible-bill expense associated with supply costs will be included in the MFC. Separate uncollectible-bill expenses for supply will be updated to reflect separate residential and non-residential uncollectible bill percentages as specified in the Electric Tariff under General Rule 25.3. Additionally, the uncollectible-bill expense for the Adjustment Factor – MAC will be updated as specified under General Rule 26.1, and the Uncollectible bill percentage applicable to the POR Discount Rate will be updated as specified under General Rule 19.3.6.

vi. The billing and payment processing charge applicable to Con Edison customers remains at the current level of $1.28 per bill. For customers with a combined electric and gas account, the portion of the charge applicable to electric service is $1.28 less the amount applicable to gas service (i.e., $0.64). Likewise, ESCOs pay $1.28 per bill per account, unless a customer has two separate ESCOs. In that case, the charge to the electric ESCO is $1.28 less the charge applicable to the gas ESCO (i.e., $0.64).

Revenue Impact Summaries

Summaries of revenue impacts by class, on a delivery only and total bill basis, for each Rate Year are shown on Table 2A. These impacts include estimated impacts of changes in recoveries associated with Earnings Adjustment Mechanisms based on mid-point performance as defined in Section J.8. of the Joint Proposal.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064 - Joint Proposal
Embedded Cost-of-Service Study Results
For the Year 2019
Table 1A

	Service Classification	Initial Adjusted Surplus/Deficiency* ($000)	RY 1 Phase-in Surplus/Deficiency* ($000)	RY 1 Adjusted Surplus/Deficiency* ($000)	RY 2 Phase-in Surplus/Deficiency* ($000)	RY 2 Adjusted Surplus/Deficiency* ($000)	RY 3 Phase-in Surplus/Deficiency* ($000)
		(1)	(2) = (1) / 3	(3) = (1) - (2)	(4) = (1) / 3	(5) = (3) - (4)	(6) = (1) / 3
	NYPA	($20,355,668)	($6,785,223)	($13,570,445)	($6,785,223)	($6,785,222)	($6,785,224)
	Individual CECONY Classes						
SC 1	Residential	($5,037,374)	($1,679,125)	($3,358,249)	($1,679,125)	($1,679,124)	($1,679,127)
SC 2	General Small	4,372,719	1,457,573	2,915,146	1,457,573	1,457,573	1,457,574
SC 5	Traction	(1,515)	(505)	(1,010)	(505)	(505)	(505)
SC 5	TOD	0	0	0	0	0	1
SC 6	Street Lighting	(563,701)	(187,900)	(375,801)	(187,900)	(187,901)	(187,900)
SC 8	Apt. House	(330,916)	(110,305)	(220,611)	(110,305)	(110,306)	(110,305)
SC 8	TOD	0	0	0	0	0	0
SC 9	General Large	0	0	0	0	0	0
SC 9	TOD	23,890,981	7,963,660	15,927,321	7,963,660	7,963,661	7,963,661
SC 12	Apt. House Htg.	(548,538)	(182,846)	(365,692)	(182,846)	(182,846)	(182,846)
SC 12	TOD	(1,425,988)	(475,329)	(950,659)	(475,329)	(475,330)	(475,329)
	TOTAL CECONY CLASSES	20,355,668	6,785,223	13,570,445	6,785,223	6,785,222	6,785,224
	TOTAL SYSTEM	$0	$0	$0	$0	$0	$0

* Deficiencies shown as negative

Case 22-E-0064 - Joint Proposal
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Estimated T&D Revenues for Rate Year Ending December 31, 2023

		(kWh)	Proposed RY1 Rate Increase Allocated to All Customers ($)	
Proposed Rate Increase in Bundled Delivery Rev Requirement for RY - Incl. GRT			457,454,194	(a)
Proposed Rate Increase in Bundled Delivery Rev Requirement for RY - Excl. GRT			443,135,870	(b)
Adjustment to Bundled Delivery Revenue Requirement for RY - Excl. GRT		(kWh)	RY1	
- MAC Change (Retained Generation)	(p)	42,822,000,000	12,332,030	(c)
- Purchase Power Working Capital Change	(q)	23,156,000,000	(1,907,779)	(d)
- Reconnection Fees Waiver for Low Income Program			960,965	(d1)
- Additional Discount for Low Income Program			96,096,496	(d2)
- Incremental EE Included in Base Rate			(39,816,560)	(e)
- Total Adjustment			67,665,152	(f)= ∑(c:e)
T&D Related Delivery Revenue Increase			510,801,022	(g) = (b) + (f)
Proposed % Rate Increase			8.355673%	(h)

	(A)	(B1)	(B2) = (A) + (B1)	(B3) = (B2) * (h)	(C1)	(C2)=(B1)+(B3)+(C1)	(C3)=(C2)/(A)	(C4) Mitigation Adjustment 1.5	(C5)=(C2)+(C4)	(C6)=(C5)/(A)	(C7)=(A)+(C5)	(D1)=-((c)/(p))*kWh	(D2) =-((d)/(q))*kWh	(D3)	(D4)	(D)=(C5)+(D1)+(D2)+(D3)+(D4)
	RY1 Ending 12/31/2023 Bundled T&D Revenue at Current 1/1/22 Rates Level	RY1 Deficiency /(Surplus)	Re-Aligned Bundled T&D Revenue at Current 1/1/2022 Rates Level	RY1 Rate Increase Allocated to All Customers	EE Allocable to CECONY w.RNY	RY1 Total T&D Increase Including Deficiency /(Surplus)	RY1 Total T&D Rate Increase % (RY1 vs. Current)	Mitigation Adjustment	RY1 Total T&D Increase Including Deficiency /(Surplus) w. Mitigation Adj	RY1 Total T&D Rate Increase % w.Mitigation Adj (RY1 vs. Current)	RY1 Target Bundled T&D Revenue at 1/1/2023 Rate Level	RY1 MAC Change Applicable to CECONY Customers	RY1 PPWC Change Applicable to CECONY Full Service Customers	RY1 EE Credit to RNY	Low Income Program Impact	RY1 Total Rate Increase Excl. GRT
SC1	$2,495,374,578	$1,679,125	$2,497,053,703	$208,645,630	$12,860,482	$223,185,237	8.943957%	$ 43,051	$223,228,288	8.945683%	$2,718,602,866	-$3,919,168	$922,335	$0	-$97,057,461	$123,173,994
SC2	521,421,120	-1,457,573	519,963,547	43,446,451	2,369,111	44,357,989	8.507133%	8,996	44,366,985	8.508858%	565,788,105	-721,975	163,623	0		43,808,633
SC5 Rate I	105,000	505	105,505	8,816	945	10,266	9.777143%	2	10,268	9.779048%	115,268	-288	0	0		9,980
SC5 Rate II	3,715,312	0	3,715,312	310,439	96,390	406,829	10.950063%	64	406,893	10.951785%	4,122,205	-29,374	0	0		377,519
SC6	2,614,208	187,900	2,802,108	234,135	10,395	432,430	16.541530%	(78,324)	354,106	13.545441%	2,968,314	-3,168	906	0		351,844
SC8 Rate I&III	156,296,716	110,305	156,407,021	13,068,858	1,523,337	14,702,500	9.406788%	2,696	14,705,196	9.408512%	171,001,912	-464,229	41,276	0		14,282,243
SC8 Rate II	12,881,165	0	12,881,165	1,076,308	138,915	1,215,223	9.434108%	222	1,215,445	9.435831%	14,096,610	-42,334	3,707	0		1,176,818
SC9 Rate I&III	1,785,414,615	0	1,785,414,615	149,183,398	17,129,926	166,313,324	9.315109%	30,802	166,344,126	9.316835%	1,951,758,741	-5,179,096	717,024	-248,476		161,633,578
SC9 Rate II	444,426,191	-7,963,660	436,462,531	36,469,380	6,815,868	35,321,588	7.947684%	7,667	35,329,255	7.949409%	479,755,446	-1,882,260	52,811	-1,176,118		32,323,688
SC12 Rate I&III	12,104,592	182,846	12,287,438	1,026,698	138,915	1,348,459	11.140062%	209	1,348,668	11.141788%	13,453,260	-42,334	4,119	0		1,310,453
SC12 Rate II	12,101,043	475,329	12,576,372	1,050,840	139,860	1,666,029	13.767648%	(26,889)	1,639,140	13.545444%	13,740,183	-42,622	1,977	0		1,598,495
SC13	2,564,004		2,564,004	214,240	17,010	231,250	9.019097%	44	231,294	9.020813%	2,795,298	-5,184	0			226,110
CECONY	$5,449,018,544	-$6,785,223	$5,442,233,321	$454,735,193	$41,241,154	$489,191,124	8.977601%	$ (11,460)	$489,179,664	8.977390%	$5,938,198,208	-$12,332,032	$1,907,778	-$1,424,594	-$97,057,461	$380,273,355
NYPA	664,206,000	$6,785,223	$670,991,223	$56,065,829		$62,851,052	9.462584%	$ 11,459	$62,862,511	9.464309%	$727,068,511			-		$62,862,511
CECONY	$5,449,018,544	-$6,785,223	$5,442,233,321	$454,735,193	$41,241,154	$489,191,124	8.977601%	$ (11,460)	$489,179,664	8.977390%	$5,938,198,208	-$12,332,032	$1,907,778	-$1,424,594	-$97,057,461	$380,273,355
Total	$6,113,224,544	$0	$6,113,224,544	$510,801,022	$41,241,154	$552,042,176	9.030294%	$ (1)	$552,042,175	9.030294%	$6,665,266,719	-$12,332,032	$1,907,778	-$1,424,594	-$97,057,461	$443,135,866

Appendix 16, Table 2
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Case 22-E-0064 - Joint Proposal
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Estimated T&D Revenues for Rate Year Ending December 31, 2024

			Proposed RY2 Rate Increase Allocated to All Customers ($)	
Proposed Rate Increase in Bundled Delivery Rev Requirement for RY - Incl. GRT			457,454,194	(a)
Proposed Rate Increase in Bundled Delivery Rev Requirement for RY - Excl. GRT			443,135,870	(b)
Adjustment to Bundled Delivery Revenue Requirement for RY - Excl. (		(kWh)	RY2	
- Purchase Power Working Capital Change	(q)	23,451,000,000	(179,579)	(d)
- Incremental EE Included in Base Rate			(20,370,666)	(e)
- Total Adjustment			(20,550,245)	(f)= (d)+(e)
T&D Related Delivery Revenue Increase			422,585,625	(g) = (b) + (f)
Proposed % Rate Increase			6.297925%	(h)

	(A)	(B1)	(B2) = (A) + (B1)	(B3) = (B2) * (h)	(C1)	(C2)=(B1)+(B3)+(C1)	(C3)=(C2)/(A)	(C4) Mitigation Adjustment 1.5	(C5)=(C2)+(C4)	(C6)=(C5)/(A)	(C7)=(A)+(C5)	(D2) = -((d)/(q))*kWh	(D3)	(D)=(C5)+(D2)+(D3)
	RY2 Ending 12/31/2024 Bundled T&D Revenue at Current 1/1/23 Rates Level	RY2 Deficiency /(Surplus)	Re-Aligned Bundled T&D Revenue at 2023 Rates Level	RY2 Rate Increase Allocated to All Customers	EE Allocable to CECONY w.RNY	RY2 Total T&D Increase Including Deficiency /(Surplus)	RY2 Total T&D Rate Increase % (RY2 vs. RY1)	Mitigation Adjustment	RY2 Total T&D Increase Including Deficiency /(Surplus) w. Mitigation Adj	RY2 Total T&D Rate Increase % w. Mitigation Adj (RY2 vs. RY1)	RY2 Target Bundled T&D Revenue at 1/1/2024 Rate Level	RY2 PPWC Change Applicable to CECONY Full Service Customers	RY2 EE Credit to RNY	RY2 Total Rate Increase Excl. GRT
SC1	$2,743,378,926	$1,679,125	$2,745,058,051	$172,881,690	$6,585,940	$181,146,755	6.603053%	$ 72,143	$181,218,898	6.605682%	$2,924,597,824	$86,424	$0	$181,305,322
SC2	577,478,137	-1,457,573	576,020,564	36,277,342	1,231,927	36,051,696	6.242954%	15,186	36,066,882	6.245584%	613,545,019	15,652	0	36,082,534
SC5 Rate I	115,268	505	115,773	7,291	480	8,276	7.179790%	3	8,279	7.182392%	123,547	0	0	8,279
SC5 Rate II	4,126,643	0	4,126,643	259,893	48,913	308,806	7.483225%	109	308,915	7.485867%	4,435,558	0	0	308,915
SC6	2,978,533	187,900	3,166,433	199,420	5,275	392,595	13.180818%	(96,492)	296,103	9.941236%	3,274,636	84	0	296,187
SC8 Rate I&III	171,891,637	110,305	172,001,942	10,832,553	779,245	11,722,103	6.819473%	4,520	11,726,623	6.822102%	183,618,260	3,928	0	11,730,551
SC8 Rate II	14,139,417	0	14,139,417	890,490	71,451	961,941	6.803258%	372	962,313	6.805889%	15,101,730	352	0	962,665
SC9 Rate I&III	1,962,904,884	0	1,962,904,884	123,622,272	8,933,236	132,555,508	6.753028%	51,618	132,607,126	6.755657%	2,095,512,010	67,632	-303,996	132,370,762
SC9 Rate II	480,785,136	-7,963,660	472,821,476	29,777,941	4,309,893	26,124,174	5.433648%	12,643	26,136,817	5.436278%	506,921,953	4,970	-1,438,914	24,702,873
SC12 Rate I&III	13,033,043	182,846	13,215,889	832,327	68,094	1,083,267	8.311697%	343	1,083,610	8.314328%	14,116,653	360	0	1,083,970
SC12 Rate II	13,620,438	475,329	14,095,767	887,741	70,492	1,433,562	10.525080%	(79,522)	1,354,040	9.941237%	14,974,478	176	0	1,354,216
SC13	2,809,471		2,809,471	176,938	8,632	185,570	6.605158%	74	185,644	6.607792%	2,995,115	0		185,644
CECONY	$5,987,261,533	-$6,785,223	$5,980,476,310	$376,645,898	$22,113,578	$391,974,253	6.546804%	$ (19,003)	$391,955,250	6.546486%	$6,379,216,783	$179,578	-$1,742,910	$390,391,918
NYPA	722,657,097	$6,785,223	$729,442,320	$45,939,728		$52,724,951	7.295985%	$ 19,004	$52,743,955	7.298614%	$775,401,052		-	$52,743,955
CECONY	$5,987,261,533	-$6,785,223	$5,980,476,310	$376,645,898	$22,113,578	$391,974,253	6.546804%	$ (19,003)	$391,955,250	6.546486%	$6,379,216,783	$179,578	-$1,742,910	$390,391,918
Total	$6,709,918,630	$0	$6,709,918,630	$422,585,626	$22,113,578	$444,699,204	6.627490%	$ 1	$444,699,205	6.627490%	$7,154,617,835	$179,578	-$1,742,910	$443,135,873

Appendix 16, Table 2
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Case 22-E-0064 - Joint Proposal
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Estimated T&D Revenues for Rate Year Ending December 31, 2025

			Proposed RY3 Rate Increase Allocated to All Customers ($)	
Proposed Rate Increase in Bundled Delivery Rev Requirement for RY - Incl. GRT			457,454,194	(a)
Proposed Rate Increase in Bundled Delivery Rev Requirement for RY - Excl. GRT			443,136,000	(b)
Adjustment to Bundled Delivery Revenue Requirement for RY - Excl. GRT		(kWh)	RY3	
- Purchase Power Working Capital Change	(q)	23,565,000,000	21,096	(d)
- Incremental EE Included in Base Rate			(27,205,063)	(e)
- Total Adjustment			(27,183,967)	(f)= (d)+(e)
T&D Related Delivery Revenue Increase			415,952,033	(g) = (b) + (f)
Proposed % Rate Increase			5.817354%	(h)

	(A)	(B1)	(B2) = (A) + (B1)	(B3) = (B2) * (h)	(C1)	(C2)=(B1)+(B3)+(C1)	(C3)=(C2)/(A)	(C4) Mitigation Adjustment 1.5	(C5)=(C2)+(C4)	(C6)=(C5)/(A)	(C6)=(A)+(C5)	(D2) =-((d)/(q))*kWh	(D3)	(D)=(C5)+(D2)+(D3)
	RY3 Ending 12/31/2025 Bundled T&D Revenue at Current 1/1/24 Rates Level	RY3 Deficiency /(Surplus)	Re-Aligned Bundled T&D Revenue at 2024 Rates Level	RY3 Rate Increase Allocated to All Customers	EE Allocable to CECONY w.RNY	RY3 Total T&D Increase Including Deficiency /(Surplus)	RY3 Total T&D Rate Increase % (RY3 vs. RY2)	Mitigation Adjustment	RY3 Total T&D Increase Including Deficiency /(Surplus) w.Mitigation Adj	RY3 Total T&D Rate Increase % w.Mitigation Adj (RY3 vs. RY2)	RY3 Target Bundled T&D Revenue at 1/1/2025 Rate Level	RY3 PPWC Change Applicable to CECONY Full Service Customers	RY3 EE Credit to RNY	RY3 Total Rate Increase Excl. GRT
SC1	$2,934,865,903	$1,679,125	$2,936,545,028	$170,829,211	$8,814,079	$181,322,415	6.178218%	$ 68,172	$181,390,587	6.180541%	$3,116,256,490	-$10,126	$0	$181,380,461
SC2	625,438,832	-1,457,573	623,981,259	36,299,197	1,677,958	36,519,582	5.839033%	14,528	36,534,110	5.841356%	661,972,942	-1,884	0	36,532,226
SC5 Rate I	123,547	505	124,052	7,217	640	8,362	6.768274%	3	8,365	6.770703%	131,912	0	0	8,365
SC5 Rate II	4,424,825	0	4,424,825	257,408	65,275	322,683	7.292560%	103	322,786	7.294887%	4,747,611	0	0	322,786
SC6	3,274,636	187,900	3,462,536	201,428	7,039	396,367	12.104154%	(90,433)	305,934	9.342535%	3,580,570	-10	0	305,924
SC8 Rate I&III	184,532,918	110,305	184,643,223	10,741,349	1,050,164	11,901,818	6.449699%	4,286	11,906,104	6.452022%	196,439,022	-474	0	11,905,630
SC8 Rate II	14,921,278	0	14,921,278	868,024	95,353	963,377	6.456397%	347	963,724	6.458723%	15,885,002	-42	0	963,682
SC9 Rate I&III	2,090,438,857	0	2,090,438,857	121,608,222	11,872,214	133,480,436	6.385283%	48,557	133,528,993	6.387606%	2,223,967,850	-7,918	-380,569	133,140,506
SC9 Rate II	503,951,672	-7,963,660	495,988,012	28,853,377	5,610,362	26,500,079	5.258456%	11,706	26,511,785	5.260779%	530,463,457	-582	-1,801,359	24,709,844
SC12 Rate I&III	13,969,500	182,846	14,152,346	823,292	89,593	1,095,731	7.843738%	324	1,096,055	7.846057%	15,065,555	-40	0	1,096,015
SC12 Rate II	14,766,344	475,329	15,241,673	886,662	92,793	1,454,784	9.852026%	(75,235)	1,379,549	9.342522%	16,145,893	-19	0	1,379,530
SC13	2,995,115		2,995,115	174,236	11,519	185,755	6.201932%	70	185,825	6.204269%	3,180,940	0		185,825
CECONY	$6,393,703,427	-$6,785,223	$6,386,918,204	$371,549,623	$29,386,989	$394,151,389	6.164681%	$ (17,572)	$394,133,817	6.164406%	$6,787,837,244	-$21,095	-$2,181,928	$391,930,794
NYPA	756,489,831	$6,785,223	$763,275,054	$44,402,410		$51,187,633	6.766467%	$ 17,572	$51,205,205	6.768790%	$807,695,036		-	$51,205,205
CECONY	$6,393,703,427	-$6,785,223	$6,386,918,204	$371,549,623	$29,386,989	$394,151,389	6.164681%	$ (17,572)	$394,133,817	6.164406%	$6,787,837,244	-$21,095	-$2,181,928	$391,930,794
Total	$7,150,193,258	$0	$7,150,193,258	$415,952,033	$29,386,989	$445,339,022	6.228349%	$ -	$445,339,022	6.228349%	$7,595,532,280	-$21,095	-$2,181,928	$443,135,999

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Case 22-E-0064 - Joint Proposal
Summary of Revenue Increases
Rate Year (RY) 1

	Current Revenues at 1/1/22 Rates		**RY1 Rate Change with GRT**					**RY1 Increase %**	
	Rate Year Delivery Revenue Excl. Low Income Discount Including GRT [1]	Rate Year Total Bill Revenue Including GRT [2]	Rate Year T&D Increase	Incremental Low Income	Incremental Low Income Discount	EAMs [3]	Total Rate Year Delivery Increase	Delivery % Increase Over RY1 Revenue at Current Rate Level	Bill % Increase Over RY1 Revenue at Current Rate Level
	(A)	(B)	(C1)	(C2)	(C3)	(C4)	(C)=∑(C1:C4)	(D)=(C)/(A)	(E)=(C)/(B)
SC 1	$2,780,099,407	$3,842,463,644	$186,421,569	$40,925,785	-$100,193,485	-$163,251	$126,990,618	4.6%	3.3%
SC 2	575,803,388	771,508,226	36,702,124	8,522,010		179,285	45,403,419	7.9%	5.9%
SC 5 Rate I	122,707	200,770	8,573	1,729		669	10,972	8.9%	5.5%
SC 5 Rate II	5,295,430	13,257,893	328,824	60,893		3,607	393,324	7.4%	3.0%
SC 6	2,865,264	3,723,961	317,287	45,926		364	363,576	12.7%	9.8%
SC 8 Rate I&III	184,837,511	310,675,644	12,180,263	2,563,453		-11,715	14,732,001	8.0%	4.7%
SC 8 Rate II	15,438,940	26,914,253	1,003,725	211,118		3,104	1,217,946	7.9%	4.5%
SC 9 Rate I&III	2,106,945,740	3,510,837,167	137,593,837	29,262,284		254,314	167,110,435	7.9%	4.8%
SC9 Rate II	549,035,910	1,059,258,017	26,214,640	7,153,459		-9,190	33,358,908	6.1%	3.1%
SC 12 Rate I&III	14,641,425	26,116,738	1,151,408	201,387		25,879	1,378,674	9.4%	5.3%
SC 12 Rate II	14,630,496	26,183,873	1,444,022	206,122		12,407	1,662,551	11.4%	6.3%
SC 13	2,904,509	4,309,650	191,393	42,023		-493	232,923	8.0%	5.4%
CECONY	$6,252,620,728	$9,595,449,836	$403,557,665	$89,196,187	-$100,193,485	$294,980	$392,855,348	6.3%	4.1%
NYPA	695,244,975	1,402,216,355	53,896,364	10,997,297		906,382	65,800,043	9.5%	4.7%
CECONY	6,252,620,728	9,595,449,836	403,557,665	89,196,187	-100,193,485	294,980	392,855,348	6.3%	4.1%
Total	$6,947,865,702	$10,997,666,191	$457,454,029	$100,193,485	-$100,193,485	$1,201,362	$458,655,391	**6.6%**	**4.2%**
	-	-							

Notes

(1) Delivery revenue is defined as total bill revenue less MSC and GRT associated with supply.

(2) Includes rate year delivery revenue in (1) plus an estimate for the MSC and GRT. Includes supply estimates for retail access customers and NYPA.

(3) Reflects changes in EAMs recoveries in RY1.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-E-0064 - Joint Proposal
Summary of Revenue Increases
Rate Year (RY) 2

	Revenues at RY1 Rates		RY2 Rate Change with GRT			RY2 Increase %	
	Rate Year Delivery Revenue Excl. Low Income Discount Including GRT (1)	Rate Year Total Bill Revenue Including GRT (2)	Rate Year T&D Increase	EAMs (3)	Total Rate Year Delivery Increase	Delivery % Increase Over RY2 Revenue at RY1 Rate Level	Bill % Increase Over RY2 Revenue at RY1 Rate Level
	(A)	(B)	(C1)	(C2)	(C)=∑(C1:C2)	(D)=(C)/(A)	(E)=(C)/(B)
SC 1	$3,034,894,141	$4,107,016,297	$187,163,478	-$6,737,856	$180,425,622	5.9%	4.4%
SC 2	634,025,226	834,569,992	37,248,397	-1,202,383	36,046,013	5.7%	4.3%
SC 5 Rate I	133,027	211,090	8,547	-507	8,040	6.0%	3.8%
SC 5 Rate II	5,691,495	13,653,958	318,896	-49,559	269,338	4.7%	2.0%
SC 6	3,239,019	4,097,716	305,757	-5,058	300,699	9.3%	7.3%
SC 8 Rate I&III	200,711,850	327,564,806	12,109,577	-730,812	11,378,765	5.7%	3.5%
SC 8 Rate II	16,728,678	28,360,118	993,770	-132,109	861,660	5.2%	3.0%
SC 9 Rate I&III	2,287,674,259	3,701,791,986	136,647,794	-7,891,113	128,756,681	5.6%	3.5%
SC9 Rate II	585,056,655	1,096,761,966	25,501,048	-3,693,154	21,807,893	3.7%	2.0%
SC 12 Rate I&III	15,489,212	26,574,209	1,118,994	-77,113	1,041,881	6.7%	3.9%
SC 12 Rate II	16,144,229	27,619,542	1,397,972	-74,563	1,323,409	8.2%	4.8%
SC 13	3,152,868	4,558,009	191,642	-8,476	183,166	5.8%	4.0%
CECONY	$6,802,940,660	$10,172,779,690	$403,005,871	-$20,602,704	$382,403,167	5.6%	3.8%
NYPA	756,491,067	1,457,715,327	54,448,165	666,434	55,114,599	7.3%	3.8%
CECONY	6,802,940,660	10,172,779,690	403,005,871	-20,602,704	382,403,167	5.6%	3.8%
Total	$7,559,431,727	$11,630,495,017	$457,454,036	-$19,936,270	$437,517,766	**5.8%**	**3.8%**
	-	-					

Notes

(1) Delivery revenue is defined as total bill revenue less MSC and GRT associated with supply.

(2) Includes rate year delivery revenue in (1) plus an estimate for the MSC and GRT. Includes supply estimates for retail access customers and NYPA.

(3) Reflects changes in EAMs recoveries in RY2.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Case 22-E-0064 - Joint Proposal

Summary of Revenue Increases

Rate Year (RY) 3

	Revenues at RY2 Rates		RY3 Rate Change with GRT			RY3 Increase %	
	Rate Year Delivery Revenue Excl. Low Income Discount Including GRT [1]	Rate Year Total Bill Revenue Including GRT [2]	Rate Year T&D Increase	EAMs [3]	Total Rate Year Delivery Increase	Delivery % Increase Over RY3 Revenue at RY2 Rate Level	Bill % Increase Over RY3 Revenue at RY2 Rate Level
	(A)	(B)	(C1)	(C2)	(C)=∑(C1:C2)	(D)=(C)/(A)	(E)=(C)/(B)
SC 1	$3,226,561,675	$4,301,728,302	$187,241,045	$3,658,145	$190,899,190	5.9%	4.4%
SC 2	683,082,022	887,764,147	37,712,619	593,980	38,306,599	5.6%	4.3%
SC 5 Rate I	141,093	219,157	8,635	-30	8,605	6.1%	3.9%
SC 5 Rate II	5,950,349	13,912,812	333,216	20,089	353,304	5.9%	2.5%
SC 6	3,539,444	4,398,141	315,809	1,704	317,513	9.0%	7.2%
SC 8 Rate I&III	213,215,306	341,317,276	12,290,313	395,706	12,686,019	5.9%	3.7%
SC 8 Rate II	17,465,321	29,096,761	994,820	70,125	1,064,944	6.1%	3.7%
SC 9 Rate I&III	2,410,157,322	3,821,308,641	137,442,409	3,762,203	141,204,612	5.9%	3.7%
SC9 Rate II	605,353,668	1,114,326,761	25,508,244	1,738,346	27,246,589	4.5%	2.4%
SC 12 Rate I&III	16,358,999	27,287,869	1,131,428	18,363	1,149,791	7.0%	4.2%
SC 12 Rate II	17,227,758	28,546,945	1,424,104	24,757	1,448,861	8.4%	5.1%
SC 13	3,335,870	4,741,011	191,829	4,483	196,312	5.9%	4.1%
CECONY	$7,202,388,829	$10,574,647,824	$404,594,470	$10,287,870	$414,882,340	5.8%	3.9%
NYPA	792,083,404	1,471,377,864	52,859,696	1,804,373	54,664,070	6.9%	3.7%
CECONY	7,202,388,829	10,574,647,824	404,594,470	10,287,870	414,882,340	5.8%	3.9%
Total	$7,994,472,233	$12,046,025,688	$457,454,166	$12,092,243	$469,546,410	**5.9%**	**3.9%**
	-	-					

Notes

[1] Delivery revenue is defined as total bill revenue less MSC and GRT associated with supply.

[2] Includes rate year delivery revenue in (1) plus an estimate for the MSC and GRT. Includes supply estimates for retail access customers and NYPA.

[3] Reflects changes in EAMs recoveries in RY3.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Case 22-E-0064 - Joint Proposal

Summary of Revenue Neutral Redesigned Rates to Reflect High Tension/Low Tension Differential Adjustments [1]

SC 5 Rate I, SC5 Rate II, and NYPA Rate I

SC 5 Rate I — Three-Year Phase-In Before Application of T&D Increase

Demand	Block	Current Rate 1/1/2022	Redesigned to Reflect Shift of 7% of Energy Revenue to Demand at 1/1/2022 (RY 1)	1/3 HT/LT Differential Adjustment (RY 1)	Redesigned to Reflect Shift of 14% of Energy Revenue to Demand at 1/1/2022 (RY 2)	2/3 HT/LT Differential Adjustment (RY 2)	Redesigned to Reflect Shift of 21% of Energy Revenue to Demand at 1/1/2022 (RY 3)	Full 3/3 HT/LT Differential Adjustment (RY 3)
Summer								
LT	0-5 kW	$290.58	$297.64	$297.64	$304.71	$304.71	$311.77	$311.77
	> 5 kW	$48.42	$49.59	$49.64	$50.77	$50.84	$51.94	$52.05
HT	0-5 kW	$223.62	$229.06	$222.21	$234.49	$222.79	$239.93	$220.78
	> 5 kW	$36.75	$37.63	$36.93	$38.53	$37.07	$39.42	$37.18
Winter								
LT	0-5 kW	$189.49	$194.10	$194.10	$198.70	$198.70	$203.31	$203.31
	> 5 kW	$30.82	$31.56	$31.61	$32.31	$32.38	$33.06	$33.17
HT	0-5 kW	$122.51	$125.49	$118.64	$128.47	$116.77	$131.44	$112.29
	> 5 kW	$19.15	$19.61	$18.91	$20.07	$18.61	$20.54	$18.30
Annualized Charges								
HT		$36.69	$37.57	$37.62	$38.46	$38.53	$39.35	$39.46
LT		$25.02	$25.62	$24.92	$26.22	$24.76	$26.83	$24.59
% HT/LT		68%	68%	66%	68%	64%	68%	62%
HT/LT % Based on Costs [2]				62%		62%		62%

SC 5 Rate II — Three-Year Phase-In Before Application of T&D Increase

Demand	Time Period (Per kW)	Current Rate 1/1/2022	RY 1: 1/3 HT/LT Differential Adjustment	RY 2: 2/3 HT/LT Differential Adjustment	RY 3: Full 3/3 HT/LT Differential Adjustment
Summer					
LT	M-F, 8 AM - 6 PM	$5.74	$5.74	$5.74	$5.74
	M-F, 8 AM - 10 PM	$11.66	$11.61	$11.54	$11.50
	All Hours - All Days	$12.45	$12.84	$13.45	$13.85
		$29.85	$30.19	$30.73	$31.09
HT	M-F, 8 AM - 6 PM	$5.74	$5.74	$5.74	$5.74
	M-F, 8 AM - 10 PM	$11.66	$11.61	$11.54	$11.50
		$17.40	$17.35	$17.28	$17.24
Winter					
LT	M-F, 8 AM - 10 PM	$9.89	$9.84	$9.77	$9.73
	All Hours - All Days	$4.72	$5.11	$5.72	$6.12
		$14.61	$14.95	$15.49	$15.85
HT	M-F, 8 AM - 10 PM	$9.89	$9.84	$9.77	$9.73
Annualized Charges					
HT		$12.39	$12.34	$12.27	$12.23
LT		$19.69	$20.03	$20.57	$20.93
% HT/LT		63%	62%	60%	58%
HT/LT % Based on Costs [2]			56%	56%	56%

NYPA Rate I — Three-Year Phase-In Before Application of T&D Increase

Demand	Current Rate 1/1/2022	RY 1: 1/3 HT/LT Differential Adjustment	RY 2: 2/3 HT/LT Differential Adjustment	RY 3: Full 3/3 HT/LT Differential Adjustment
Summer				
LT	$31.45	$31.69	$31.92	$32.04
HT	$21.85	$21.47	$21.08	$20.89
Winter				
LT	$31.45	$31.69	$31.92	$32.04
HT	$21.85	$21.47	$21.08	$20.89
Annualized Charges				
HT	$31.45	$31.69	$31.92	$32.04
LT	$21.85	$21.47	$21.08	$20.89
% HT/LT	69%	68%	66%	65%
HT/LT % Based on Costs [2]		64%	64%	64%

[1] Classes are selected for HT/LT adjustment when the difference between the HT/LT rate ratio and the HT/LT cost ratio equals or exceeds 5 percentage points.

[2] See Exhibit (ERP-1) Schedule 1

Appendix 16
Table 3

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Case 22-E-0064 - Joint Proposal

Factor Used to Allocate Certain Costs Between NYPA and Con Edison Classes

PASNY Allocation

	Bundled T&D Revenues at 1/1/2023 Rate Level*	Bundled T&D Revenues at 1/1/2024 Rate Level*	Bundled T&D Revenues at 1/1/2025 Rate Level*
	RY1 (Effective 1/1/2023)	RY2 (Effective 1/1/2024)	RY3 (Effective 1/1/2025)
NYPA	$727,068,511	$775,401,052	$807,695,036
Coned	5,779,886,192	6,221,097,545	6,629,694,963
Total	$6,506,954,703	$6,996,498,597	$7,437,389,999
% NYPA	11.17%	11.08%	10.86%
% Coned	88.83%	88.92%	89.14%
Total	100.00%	100.00%	100.00%

*Includes Low Income Discount, Reconnect Fee Wavier, and Purchase Power Working Capital ("PPWC")

Appendix 16
Table 4

Consolidated Edison Company of New York, Inc.
Case 22-G-0065

Gas Revenue Allocation and Rate Design

1. Revenue Allocation

Table 1 provides the revenue allocation for each Rate Year, which is explained below. For the first Rate Year, the $182,365,369 net increase in the Company's delivery revenue requirement ($187,195,000 less gross receipts tax of $4,829,631) was allocated to firm sales and firm transportation customers in SC 1, 2, 3, 9 and 13 in the following manner:[1]

(a) The Rate Year total delivery revenues, including competitive and non-competitive revenues, at the current level for SC 1, SC 2 Rates I and II, Rider H, SC 3 and Rider J were realigned in a revenue neutral manner to reduce interclass deficiencies and surpluses as indicated by the Company's embedded cost of service ("ECOS") study. For each Rate Year, deficiency and surplus indications have been reduced by one-third.

(b) The Rate Year net delivery revenue increase of $182,365,369 was adjusted to reflect the incremental low income program costs of $11,485,930 ($11,189,593 excluding gross receipts tax) for a total increase of $198,680,930 ($193,554,962 excluding gross receipts tax).

(c) This Rate Year adjusted delivery increase of $193,554,962 (excluding gross receipts tax) was then allocated to each class by applying the overall Rate Year percentage increase to each class' Adjusted Rate Year delivery revenue as realigned for ECOS surplus and deficiency indications.

(d) The total delivery revenue increase by class was determined by subtracting the Adjusted Delivery Revenue at the Rate Year Level from the Total Delivery Revenues at the current rate level.

(e) The Rate Year 1 overall percentage rate change for each class was determined by dividing the total Rate Year 1 delivery rate change by the total delivery revenue at current rates.

For the second and third Rate Years, the allocation of the total increase in the Company's revenue requirement, less gross receipts tax, was calculated in a similar fashion.

The overall percentage rate changes for each class for Rate Years 2 and 3 were also determined by dividing the total Rate Year delivery rate changes by the total Rate Year delivery revenues at

[1] References to SCs 1, 2, 3, and 13 include their corresponding firm transportation classes under SC 9.

current rates. The Rate Year 2 delivery revenues at current rates reflect the Rate Year 1 non-competitive base tariff rates as well as the Rate Year 1 billing and payment processing ("BPP") rates, Rate Year 1 Merchant Function Charge ("MFC") supply and MFC Credit and Collection ("C&C") targets. The Rate Year 3 total Rate Year delivery revenues at current rates reflect the Rate Year 2 non-competitive base tariff rates as well as the billing and processing rates, Rate Year 2 MFC supply and MFC C&C targets.

A summary of revenue impacts by class, on a delivery-only and total-bill basis for each of the Rate Years, is shown on Table 1a.

2. Rate Design

The rate design process for each Rate Year consisted of the following steps:

- Determining the amount of the revenue increase applicable to competitive charges;
- Determining the amount of the revenue increase to be applied to non-competitive charges; and
- Designing rates for non-competitive charges.

Competitive Delivery Charges

The competitive delivery components include the MFC fixed components, that is, the MFC supply and C&C components; the purchase of receivables ("POR") C&C component and the BPP charge, as discussed in Section 3 below. For each Rate Year, revised revenue levels for the MFC fixed components and POR C&C component were based on percentages of delivery revenue as determined in the Gas ECOS study.

The amount of the revenue change attributable to the competitive service charges reflects the change in the MFC revenues and in the POR C&C revenues. The change in both the MFC and POR C&C revenues for each Rate Year was determined by taking the difference between each component's target revenues calculated at the Rate Year level and each component's target revenues for the previous Rate Year. The BPP charge remains at its current level of $1.28 per bill all three rate years. Therefore there is no incremental change in BPP revenues in each Rate Year.

Table 2 provides the MFC Supply, MFC C&C, and POR C&C Targets for all three Rate Years.

Non-Competitive Delivery Revenues and Rates

The non-competitive delivery revenue increase for each class was determined by subtracting the change in the competitive delivery revenues from the total delivery revenue increase as shown on Table 1.

A summary of the proposed non-competitive rate design methodology, which was used for all three Rate Years, is described below.

The minimum charges (the charge for the delivery of the first three therms or less) for SC 1, SC 2 Rate I, SC 2 Rate II, SC 3, SC 13 will increase in all three Rate Years, and are shown in the table below.

GAS SERVICE CLASSES	Current Rate	Proposed Rate		
	2022	RY 1 (2023)	RY 2 (2024)	RY 3 (2025)
SC 1	$27.70	$30.00	$31.67	$33.23
SC 2 Rate I	$34.80	$39.00	$43.00	$47.00
SC 2 Rate II	$34.80	$39.00	$43.00	$47.00
SC 3	$23.80	$26.00	$29.00	$32.00
SC 13	$59.66	$66.86	$73.71	$80.57

- The Rider H, Distributed Generation, minimum charges will be increased by the same percentage increase as the SC 2 Rate I minimum charge, and will be set as follows:

DG Capacity	Current Rate	Proposed Rate		
	2022	RY 1 (2023)	RY 2 (2024)	RY 3 (2025)
<= 0.25 MW	$186.10	$203.15	$218.98	$234.57
>0.25 MW and <= 1 MW	$254.30	$277.59	$299.21	$320.51
> 1 MW and <= 3 MW	$505.90	$552.24	$595.26	$637.64
> 3 MW and < 5 MW	$674.30	$736.07	$793.41	$849.90
>= 5 MW and < 50 MW	$102.10	$111.45	$120.13	$128.68

- The Rider J, Residential Distributed Generation Rate, minimum charges will be increased as follows:
    - The minimum charge for Rider J Rate I, applicable to SC 1 customers, will be increased by the same percentage increase as the SC 1 minimum charge, and will be $ 30.30, $32.00, and $33.60, in Rate Years 1, 2 and 3, respectively.
    - The minimum charge for Rider J Rate II, applicable to SC 3 customers in buildings with four or less dwelling units, will be increased by the same percentage increase as the SC 3 minimum charge and will be $48.60, $53.60 and $58.70 in Rate Years 1, 2, and 3, respectively.

After considering the amount of the delivery revenue increase attributable to changes in the minimum charges, the remaining non-competitive delivery revenue increase within each class was allocated as follows:

A. For SC 1, the balance of the revenue increase was collected through the volumetric rate block (i.e., for all usage over 3 therms per month).

B. The three volumetric rate blocks for SC 2 Rate I, SC 2 Rate II, and SC 3 reflect the commencement of a ten year phase out of declining block rates in a revenue neutral manner at current rates prior to applying any rate year revenue increase. Subsequently, the charges for the three volumetric rate blocks (i.e., for usage from 4 to 90 therms, for usage from 91 to 3,000 therms and for usage greater than 3,000 therms) were increased, on a uniform percentage basis, based upon the remaining revenue increase for these classes after deducting the change in annual revenues attributable to changes in minimum charges and the air conditioning rates (described below).

C. The two volumetric rate blocks within SC 13 were increased, on a uniform percentage basis, based on the revenue increase for this class.

D. The air-conditioning rates within SC 2 and SC 3 were set equal to the proposed block rates in SC 13 consistent with past practice.

E. Distributed generation rates under Riders H and J were changed as follows:

- The Rider H, Distributed Generation minimum charges were increased by the same percentage increase as the SC 2 Rate I minimum charge. The per therm rates and the contract demand rate were increased, on a uniform percentage basis, based upon the remaining revenue increase after deducting the changes in annual revenues attributable to the changes in minimum charges.

- The Rider J Rate I minimum charge, applicable to SC 1 customers, was increased by the same percentage increase as the SC 1 minimum charge. The per therm delivery rate was increased by the same percentage increase as applied to the SC 1 per therm delivery rate.

- The Rider J Rate II minimum charge, applicable to SC 3 customers in buildings with four or less dwelling units, was increased by the same percentage as the SC 3 minimum charge. The per therm rate was increased based upon the remaining revenue increase after deducting the change in annual revenues attributable to the minimum charge.

F. No change was allocated to SC 14 and bypass customers taking firm service under contract rates.

Rates in all three Rate Years in the SC 1, SC 2 Rate I, SC 2 Rate II, SC 3 and SC 13 classes reflect increases to account for the increase in the low income funding level from $24.6 million to $35.8 million (excluding GRT).

3. Competitive Service Charges

Con Edison will continue to unbundle the following competitive service charges:

A. Merchant Function Charge

The Merchant Function Charge, which is applicable to firm full service customers, consists of the following components:

- Supply-Related Component – This component will change each Rate Year in accordance with the rate design targets shown in Table 2.
- C&C Component – This component will change each Rate Year based upon the rate design targets shown in Table 2.
- Uncollectible Accounts Expense ("UBs") associated with supply – this component will change each month in the manner described below.

Separate MFC charges will continue to be established for SC 1, SC 2 Rate I, SC 2 Rate II, SC 3, and SC 13. For the Supply-Related component and for the C&C component, different unit costs will be set for residential and for non-residential classes. At the end of each Rate Year, the supply-related and C&C components of the MFC will be trued up to the Rate Year design targets and any reconciliation amount will be included in the subsequent year's calculation of the MFC.

The charge for UBs associated with supply will continue to be based upon actual supply costs for each month included in the Company's monthly Gas Cost Factor ("GCF"). The UBs associated with supply costs will be included in the MFC. Separate UB factors will be calculated for each of the three GCF groupings and will be updated to reflect separate residential and non-residential uncollectible bill percentages as specified in the tariff under General Information Section IX.8, Special Adjustments – Merchant Function Charge (MFC).

B. Billing and Payment Processing Charge

The BPP Charge for gas will remain at $1.28 for single service gas customers who purchase both their commodity and delivery from the Company and for retail access customers receiving separate bills from the Company and the ESCO. Dual service customers will continue to pay no more than $0.64 for gas BPP.

C. Transition Adjustment for Competitive Services

The Transition Adjustment for Competitive Services ("TACS") reconciles any BPP lost revenue attributable to customers migrating to retail access and being billed for their gas use through an ESCO consolidated bill. The TACS applies to firm full service customers and to firm transportation customers and will continue to be assessed through the Monthly Rate Adjustment. The TACS will be recovered at the same cents per therm rate from all firm customers.

D. Purchase of Receivable Discount Percentage

The POR discount percentage reflects the C&C charges related to gas transportation customers whose ESCOs participate in the Company's POR program based upon the rate design targets shown in Table 2. The POR Discount Percentage also reflects the reconciliation of prior periods C&C expenses and recoveries. An overall UB factor will be applied to the POR discount as specified in the tariff under SC 20, Miscellaneous Provision P, Consolidated Billing And Payment Processing Services.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065 Joint Proposal
Allocation of Incremental Revenue Requirement Among Service Classes for Rate Year 1

Proposed Rate Increase in Bundled Delivery Rev Requirement - Incl. GRT	$187,195,000
Proposed Rate Increase in Bundled Delivery Rev Requirement - Excl. GRT	$182,365,369
Additional Discount for Low Income Program	$11,189,593
Total Delivery Revenue Increase	$193,554,962
Percentage Delivery Revenue Increase	11.1%

	(1)	(2)	(3)=(1)+(2)	(4)=(3)* %	(5)=(3)+(4)	(6)=(2)+(4)	(7) = (6)/(1)	(8)	9 = (6)+(8)
Service Class	Rate Year Bundled Total Delivery Rev. ($)	(Surplus)/ Deficiency (a) ($)	Adjusted Rate Year Del Revenue ($)	Rate Increase **11.11%** ($)	Adj Delivery Rev incl Rate Increase at RY Rate Level ($)	Delivery Rate Year Increase ($)	Rate Year Increase (%)	Low Income Program Impact ($)	Total Rate Year Increase ($)
SC No. 1	255,686,601	(9,593,884)	246,092,717	27,331,213	273,423,930	17,737,329	6.94%	1,662,509	19,399,838
SC No. 2 Rate I	159,877,835	(2,671,254)	157,206,581	17,459,463	174,666,044	14,788,209	9.25%		14,788,209
SC No. 2 Rate I, Rider H	16,986,553	(283,813)	16,702,740	1,855,017	18,557,757	1,571,204	9.25%		1,571,204
SC No. 2 Rate II	265,738,921	2,589,208	268,328,129	29,800,692	298,128,821	32,389,900	12.19%		32,389,900
SC No. 3	1,043,987,759	9,959,556	1,053,947,316	117,052,057	1,170,999,372	127,011,613	12.17%	(12,852,102)	114,159,511
SC No. 3, Rider J	19,533	186	19,719	2,190	21,909	2,376	12.17%		2,376
SC. No. 13	489,199	0	489,199	54,331	543,530	54,331	11.11%		54,331
Sub-Total	1,742,786,400	0	1,742,786,400	193,554,962	1,936,341,362	193,554,962	11.11%	(11,189,593)	182,365,369
SC No. 14	210,581								
Negotiated	1,800,000								
Total	1,744,796,982								

(a) Represents 1/3 of the (Surplus)/Deficiency Indications

Determination of Non-Competitive Delivery Rate Increase by Service Class for Rate Year 1

	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)=(1)-(5)
		Incremental Competitive Service Revenues				
Service Class	Rate Year Increase ($)	Billing and Payment Processing ($)	MFC Fixed Supply Related ($)	Total MFC Credit & Collection Related ($)	Total ($)	Non-Competitive Rate Year Delivery Revenue Increase ($)
SC No. 1	17,737,329	0	97,097	(87,958)	9,139	17,728,190
SC No. 2 Rate I	14,788,209	0	127,890	(175,480)	(47,590)	14,835,799
SC No. 2 Rate I, Rider H	1,571,204	0	123,274	(71,565)	51,709	1,519,495
SC No. 2 Rate II	32,389,900	0	344,041	(295,077)	48,964	32,340,937
SC No. 3	127,011,613	0	1,353,028	(1,466,135)	(113,106)	127,124,720
SC No. 3, Rider J	2,376	0	82	(69)	12	2,364
SC. No. 13	54,331	0	981	(570)	412	53,919
Sub-Total	193,554,962	0	2,046,393	(2,096,854)	(50,461)	193,605,423
SC No. 14	0					
Negotiated	0					
Total	193,554,962					

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065 Joint Proposal
Allocation of Incremental Revenue Requirement Among Service Classes for Rate Year 2

Proposed Rate Increase in Bundled Delivery Rev Requirement - Incl. GRT	$187,195,000
Proposed Rate Increase in Bundled Delivery Rev Requirement - Excl. GRT	$182,365,369
Additional Discount for Low Income Program	$0
Total Delivery Revenue Increase	$182,365,369
Percentage Delivery Revenue Increase	9.4%

	(1)	(2)	(3)=(1)+(2)	(4)=(3)* %	(5)=(3)+(4)	(6)=(2)+(4)	(7) = (6)/(1)
Service Class	Rate Year Bundled Total Delivery Rev. ($)	(Surplus)/ Deficiency (a) ($)	Adjusted Rate Year Del Revenue ($)	Rate Increase **9.4%** ($)	Adj Delivery Rev incl Rate Increase at RY Rate Level ($)	Delivery Rate Year Increase ($)	Rate Year % Increase
SC No. 1	269,768,274	(9,593,884)	260,174,390	24,399,669	284,574,059	14,805,785	5.49%
SC No. 2 Rate I	181,807,092	(2,653,786)	179,153,305	16,801,351	195,954,656	14,147,565	7.78%
SC No. 2 Rate I, Rider H	20,640,250	(301,280)	20,338,971	1,907,429	22,246,399	1,606,149	7.78%
SC No. 2 Rate II	296,541,284	2,589,208	299,130,492	28,053,049	327,183,541	30,642,257	10.33%
SC No. 3	1,175,240,000	9,959,557	1,185,199,557	111,150,359	1,296,349,917	121,109,917	10.31%
SC No. 3, Rider J	21,909	185	22,094	2,072	24,166	2,257	10.30%
SC. No. 13	548,497	0	548,497	51,439	599,936	51,439	9.38%
Sub-Total	1,944,567,305	(0)	1,944,567,305	182,365,369	2,126,932,674	182,365,369	9.38%
SC No. 14	210,581						
Negotiated	1,800,000						
Total	1,946,577,887						

(a) Represents 1/3 of the (Surplus)/Deficiency Indications

Determination of Non-Competitive Delivery Rate Increase by Service Class for Rate Year 2

	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)=(1)-(5)
		Incremental Competitive Service Revenues				
Service Class	Rate Year Increase ($)	Billing and Payment Processing ($)	MFC Fixed Supply Related ($)	Total MFC Credit & Collection Related ($)	Total ($)	Non-Competitive Rate Year Delivery Revenue Increase ($)
SC No. 1	14,805,785	0	21,188	27,904	49,092	14,756,692
SC No. 2 Rate I	14,147,565	0	20,519	44,919	65,438	14,082,127
SC No. 2 Rate I, Rider H	1,606,149	0	20,801	16,040	36,841	1,569,308
SC No. 2 Rate II	30,642,257	0	52,851	66,942	119,793	30,522,464
SC No. 3	121,109,917	0	314,793	481,394	796,187	120,313,730
SC No. 3, Rider J	2,257	0	19	24	42	2,215
SC. No. 13	51,439	0	152	117	269	51,170
Sub-Total	182,365,369	0	430,323	637,340	1,067,663	181,297,706
SC No. 14	0					
Negotiated	0					
Total	182,365,369					

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065 Joint Proposal
Allocation of Incremental Revenue Requirement Among Service Classes for Rate Year 3

Proposed Rate Increase in Bundled Delivery Rev Requirement - Incl. GRT	$187,195,000
Proposed Rate Increase in Bundled Delivery Rev Requirement - Excl. GRT	$182,365,369
Additional Discount for Low Income Program	$0
Total Delivery Revenue Increase	$182,365,369
Percentage Delivery Revenue Increase	8.6%

Service Class	(1) Rate Year Bundled Total Delivery Rev. ($)	(2) (Surplus)/ Deficiency (a) ($)	(3)=(1)+(2) Adjusted Rate Year Del Revenue ($)	(4)=(3)* % Rate Increase 8.6% ($)	(5)=(3)+(4) Adj Delivery Rev incl Rate Increase at RY Rate Level ($)	(6)=(2)+(4) Delivery Rate Year Increase ($)	(7) = (6)/(1) Rate Year % Increase
SC No. 1	278,593,126	(9,593,884)	268,999,241	23,128,728	292,127,969	13,534,844	4.86%
SC No. 2 Rate I	198,295,773	(2,647,260)	195,648,513	16,821,985	212,470,498	14,174,725	7.15%
SC No. 2 Rate I, Rider H	23,056,559	(307,807)	22,748,753	1,955,952	24,704,705	1,648,146	7.15%
SC No. 2 Rate II	323,961,844	2,589,208	326,551,052	28,077,070	354,628,122	30,666,278	9.47%
SC No. 3	1,296,466,782	9,959,557	1,306,426,339	112,327,379	1,418,753,718	122,286,937	9.43%
SC No. 3, Rider J	24,165	185	24,350	2,094	26,444	2,279	9.43%
SC. No. 13	606,652	0	606,652	52,160	658,812	52,160	8.60%
Sub-Total	2,121,004,901	(0)	2,121,004,901	182,365,369	2,303,370,270	182,365,369	8.60%
SC No. 14	210,581						
Negotiated	1,800,000						
Total	2,123,015,482						

(a) Represents 1/3 of the (Surplus)/Deficiency Indications

Determination of Non-Competitive Delivery Rate Increase by Service Class for Rate Year 3

Service Class	(1) Rate Year Increase ($)	(2) Incremental Competitive Service Revenues: Billing and Payment Processing ($)	(3) MFC Fixed Supply Related ($)	(4) Total MFC Credit & Collection Related ($)	(5)=(2)+(3)+(4) Total ($)	(6)=(1)-(5) Non-Competitive Rate Year Delivery Revenue Increase ($)
SC No. 1	13,534,844	0	19,163	25,205	44,367	13,490,477
SC No. 2 Rate I	14,174,725	0	24,720	50,223	74,944	14,099,782
SC No. 2 Rate I, Rider H	1,648,146	0	25,683	19,730	45,413	1,602,733
SC No. 2 Rate II	30,666,278	0	62,469	75,574	138,043	30,528,235
SC No. 3	122,286,937	0	317,384	488,923	806,307	121,480,630
SC No. 3, Rider J	2,279	0	19	24	43	2,236
SC. No. 13	52,160	0	183	141	324	51,837
Sub-Total	182,365,369	0	449,620	659,819	1,109,440	181,255,929
SC No. 14	0					
Negotiated	0					
Total	182,365,369					

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065 Joint Proposal
Summary of Revenue Increases

Rate Year 1

	Current Revenues at 1/1/23 Rates		RY1 Rate Change with GRT					Percent Rate Change	
	Rate Year Total Delivery Revenue with GRT [1]	Rate Year Total Bill Revenue with GRT [2]	Delivery Rate Change	Incremental Low Income Impact	Incremental Low Income Discount	EAMs [3]	Total Rate Change	Delivery Only	Total Bill
Service Class	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(3)+(4)+(5)+(6)	(8)=(7)/(1)	(9)=(7)/(2)
SC No. 1	$262,603,759	$284,571,001	$16,585,184	$1,621,888	$1,706,538	$70,935	$19,984,544	7.6%	7.0%
SC No. 2 Rate I	164,630,004	296,954,834	14,143,770	1,036,079		771,999	15,951,848	9.7%	5.4%
SC No. 2 Rate I, Rider H	17,730,132	59,668,141	1,502,734	110,080		303,950	1,916,765	10.8%	3.2%
SC No. 2 Rate II	273,783,114	468,597,250	31,479,259	1,768,431		814,651	34,062,342	12.4%	7.3%
SC No. 3	1,074,329,714	1,647,994,115	123,431,507	6,946,228	($13,192,468)	2,158,469	119,343,737	11.1%	7.2%
SC. No. 13	504,492	838,276	52,546	3,224		1,301	57,070	11.3%	6.8%
Sub-Total	$1,793,581,215	$2,758,623,618	$187,195,000	$11,485,930	($11,485,930)	$4,121,306	$191,316,306	10.7%	6.9%
SC No. 14 + contracts	2,063,828	15,709,380				27,775	$27,775	1.3%	0.2%
Total	$1,795,645,043	$2,774,332,998	$187,195,000	$11,485,930	($11,485,930)	$4,149,081	$191,344,081	10.7%	6.9%

Notes:
(1) Delivery Revenue is defined as total bill revenue less gas supply cost and GRT associated with gas supply cost.
(2) Includes supply estimate for transportation customers.
(3) Reflects changes in EAMs recoveries in RY1.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065 Joint Proposal
Summary of Revenue Increases

Rate Year 2

	Current Revenues at 1/1/24 Rates		RY2 Rate Change with GRT			Percent Rate Change	
Service Class	Rate Year Total Delivery Revenue with GRT [1]	Rate Year Total Bill Revenue with GRT [2]	Delivery Rate Change	EAMs [3]	Total Rate Change	Delivery Only	Total Bill
	(1)	(2)	(3)	(4)	(5)=(1)+(2)+(3)+(4)	(6)=(5)/(1)	(7)=(5)/(2)
SC No. 1	$277,049,823	$298,142,693	$15,197,890	($337,091)	$14,860,799	5.4%	5.0%
SC No. 2 Rate I	187,159,054	327,119,942	14,522,239	(2,087,755)	12,434,483	6.6%	3.8%
SC No. 2 Rate I, Rider H	21,506,861	68,043,166	1,648,685	(642,141)	1,006,544	4.7%	1.5%
SC No. 2 Rate II	305,393,004	502,501,639	31,453,765	(3,021,474)	28,432,291	9.3%	5.7%
SC No. 3	1,209,068,721	1,795,360,025	124,319,620	(8,831,215)	115,488,405	9.6%	6.4%
SC. No. 13	565,360	905,889	52,801	(5,245)	47,556	8.4%	5.2%
Sub-Total	$2,000,742,824	$2,992,073,355	$187,195,000	(14,924,922)	$172,270,078	8.6%	5.8%
SC No. 14 + contracts	2,063,828	15,858,332		(112,011)	(112,011)		
Total	$2,002,806,652	$3,007,931,687	$187,195,000	($15,036,933)	172,158,067	8.6%	5.7%

Notes:
[1] Delivery Revenue is defined as total bill revenue less gas supply cost and GRT associated with gas supply cost.
[2] Includes supply estimate for transportation customers.
[3] Reflects changes in EAMs recoveries in RY2.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Case 22-G-0065 Joint Proposal
Summary of Revenue Increases

Rate Year 3

	Current Revenues at 1/1/25 Rates		RY3 Rate Change with GRT			Percent Rate Change	
Service Class	Rate Year Total Delivery Revenue with GRT [1] (1)	Rate Year Total Bill Revenue with GRT [2] (2)	Delivery Rate Change (3)	EAMs [3] (4)	Total Rate Change (5)=(1)+(2)+(3)+(4)	Delivery Only (6)=(5)/(1)	Total Bill (7)=(5)/(2)
SC No. 1	$286,094,150	$304,688,706	$13,893,291	($41,598)	$13,851,693	4.8%	4.5%
SC No. 2 Rate I	204,086,459	342,467,604	14,550,118	(264,898)	14,285,220	7.0%	4.2%
SC No. 2 Rate I, Rider H	23,996,433	71,214,419	1,691,794	(84,034)	1,607,760	6.7%	2.3%
SC No. 2 Rate II	333,524,769	524,699,415	31,478,421	(375,700)	31,102,721	9.3%	5.9%
SC No. 3	1,333,504,315	1,909,485,894	125,527,834	(1,096,468)	124,431,366	9.3%	6.5%
SC. No. 13	625,065	961,652	53,542	(624)	52,917	8.5%	5.5%
Sub-Total	$2,181,831,190	$3,153,517,691	$187,195,000	($1,863,322)	$185,331,678	8.5%	5.9%
SC No. 14 + contracts	2,063,828	15,749,211		(13,644)	(13,644)		
Total	$2,183,895,018	$3,169,266,902	$187,195,000	($1,876,965)	$185,318,035	8.5%	5.9%

Notes:
[1] Delivery Revenue is defined as total bill revenue less gas supply cost and GRT associated with gas supply cost.
[2] Includes supply estimate for transportation customers.
[3] Reflects changes in EAMs recoveries in RY3.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Case 22-G-0065 - Joint Proposal

Merchant Function Charge Targets

		Credit & Collections (C&C)		
	Supply MFC	C&C MFC	C&C POR	C&C Total
	$	$	$	$
Rate Year 1	4,639,251	5,156,345	1,609,235	6,765,581
Rate Year 2	5,095,886	5,668,339	1,763,168	7,431,507
Rate Year 3	5,518,611	6,140,948	1,907,032	8,047,980

Appendix 18 -- Electric Service Reliability Performance Mechanism

Consolidated Edison Company of New York, Inc.
Case 22-E-0064
Electric Service Reliability Performance Mechanism

Operation of Mechanism

This Electric Service Reliability Performance Mechanism ("reliability mechanism") will go into effect for Consolidated Edison Company of New York, Inc. (Con Edison or the Company) on January 1, 2023 and will remain in effect until reset by the Commission. The measurement periods for the reliability mechanism metrics are stated in the description of each metric below.

This reliability mechanism establishes nine performance metrics:

(a) threshold standards, consisting of system-wide performance targets;

(b) a major outage metric;

(c) a remote monitoring system metric;

(d) a program standard for repairs to damaged poles;

(e) a program standard for the removal of temporary shunts;

(f) a program standard for the repair of "no current" street lights, and traffic signals;

(g) a program standard for over-duty circuit breakers;

(h) a program standard for Level II deficiency repairs; and

(i) a program standard for Westchester County Resilience and Reliability.

All revenue adjustments related to this reliability mechanism will come from shareholder funds and will be deferred for the benefit of ratepayers.

Summary of Mechanism

	Requirement for Revenue Adjustment	Annual Revenue Adjustment Exposure (millions)
Threshold Standards		
Network CAIDI	Con Ed Performance > 6.89	$5.0
Radial CAIDI[1]	Con Ed Performance > 2.04	$5.0
Network SAIFI	Con Ed Performance > 0.0186	$5.0
Radial SAIFI[2]	Con Ed Performance > 0.495	$5.0
	Maximum Annual Exposure	$20.0
Major Outages		
Network	Each area substation with the interruption of service to 15 percent or more of the customers in a network for a period of three hours or more. If more than one network served by a single area substation has 15 percent or more customer outages, the outages will be considered a single network major outage event for purposes of determining the revenue adjustment. In addition, if a major outage event occurs at a double-area substation,[3] it will be considered a single event for purposes of determining the revenue adjustment if the total peak load of the double-area substation is less than 500 MW.	Initial Major Outage Event: 3 hrs to 6 hrs = $10.0 >6 hrs to 12 hrs = $15.0 >12 hrs = $25.0 Each additional Major Outage Event: 3 hrs to 6 hrs = $7.5 >6 hrs to 12 hrs = $10.0 >12 hrs = $15.0
Radial	One event that results in the sustained interruption of service to at least 12,500 radial customers for 180,000 or more customer hours.	$10.0/event
Maximum Annual Exposure		$110.0

[1] CAIDI – Customer Average Interruption Duration Index. The average interruption duration time (customers-hours interrupted) for those customers that experience an interruption during the year.

[2] SAIFI – System Average Interruption Frequency Index. The average number of times that a customer is interrupted per 1,000 customers served during the year.

[3] Double-area substations are area substations located at the same geographic location in the same building or adjacent buildings that are served by the same sub-transmission feeders.

	Requirement for Revenue Adjustment	Annual Revenue Adjustment Exposure (millions)
Remote Monitoring System Reporting		
Network	Failure by the Company to achieve 90 percent reporting rate in the second quarter and 85 percent reporting rate in the first, third and fourth quarters of the calendar year for the Remote Monitoring System in each network during the last month of each quarter.	$10.0/network
Maximum Annual Exposure		$50.0
Program Standards		
Pole Repair	For all "Damaged Poles" and "Double Damaged Poles" that come into existence on or after 1/1/23, repairs not made within 30 days from the date the Company became aware of the "Damaged Pole" or "Double Damaged Pole" for at least 90% of these new "Damaged Poles" and "Double Damaged Poles".	$3.0
Shunt Removal	For all shunts that come into existence on or after 1/1/23, permanent repairs not made for at least 90% of these new cases within 90 days during the winter months, which are defined for purposes of this metric as January, February, March, April, November, and December, and at least 90% of these cases within 60 days during the remaining six months, May through October that is defined as the summer months.	Winter: $1.5 Summer: $1.5
No Current Street Lights and Traffic Signals	For all no currents that come into existence on or after 1/1/23, permanent repairs not made for at least 90% of these new cases within 90 days during the winter months, which are defined for purposes of this metric as January, February, March, April, November, and December, and at least 80% of these new cases within 45 days during the remaining six months, May through October that is defined as the summer months.	Winter: $1.5 Summer: $1.5
Over-Duty Circuit Breakers	If Con Edison does not replace at least 50 over-duty circuit breakers in each calendar year and at least 180 over the three-year cycle. Revenue adjustment capped at $1.5 million per year for not meeting annual target. At the end of the three-year cycle, there will be an additional revenue adjustment of $0.1 million per breaker, capped at $3.0 million, if the cumulative three-year cycle target is not met.	$0.1 per breaker $1.5 annually $3.0 cumulative per three-year cycle

	Requirement for Revenue Adjustment	Annual Revenue Adjustment Exposure (millions)
Level II Deficiency Repair	For all Level II Deficiencies that come into existence on or after January 1, 2023, permanent repairs not made by Con Edison for at least 85% of these new Level II Deficiencies within 365 days from the date the Company became aware of these deficiencies.	$2.0
Westchester County Resilience and Reliability	For each Rate Year, of Rate Years 1-3, that Con Edison does not spend 90% of its annual Westchester County Resilience and Reliability metric threshold for the following programs: Critical Facilities, Non-Network Reliability, Non-Network Resiliency with FLISR, USS Switchgear Flood Protection and Selective Undergrounding Pilot. The annual metric threshold is $25 million plus or minus any shortfalls for not spending or excess spending in the prior Rate Year.	$5.0
	Maximum Rate Year 1 & 2 Annual Exposure Maximum Rate Year 3 Exposure	$17.5 $20.5
	Total Annual Revenue Adjustment Exposure:	**$197.5 for RY1 $197.5 for RY2 $200.5 for RY3**

<u>Exclusions</u>

The following exclusions will be applicable to operating performance under this reliability mechanism.

(a) Any outages resulting from a major storm, as defined in 16 NYCRR Part 97 (for at least 10% of the customers interrupted within an operating area or customers out of service for at least 24 hours), except as otherwise noted; this includes secondary underground network interruptions that occur in an operating area during winter snow/ice events that meet the 16 NYCRR Part 97 definition (10%/24 hour rule) and includes interruptions to customers in secondary network areas who are supplied via overhead lines connected to an underground network system. Heat-related outages are not a major storm.

(b) Any incident resulting from a strike or a catastrophic event beyond the control of the Company, including but not limited to plane crash, water main break, or natural disasters (*e.g.*, hurricanes, floods, earthquakes).

(c) Any incident where problems beyond the Company's control involving generation or the bulk transmission system is the key factor in the outage, including, but not limited to, NYISO mandated load shedding. This criterion is not intended to exclude incidents that occur as a result of unsatisfactory performance by the Company.

(d) The Company will provide preliminary notice and supporting documentation for annual report exclusions, other than major storms, to the Director of the Office of Resilience and Emergency Preparedness (OREP) for review within 45 days of the event. The Company currently submits a quarterly report to the Department, for information purposes, providing SAIFI/CAIDI performance data. The notice and supporting documentation for excluded events will be included in this quarterly report or in a separate submission to the Director of OREP depending on the time of the event and within a timeframe that meets the 45-day requirement. The Company will continue to submit supporting documentation for all exclusions in its annual RPM report.

(e) The Company will provide preliminary notice and supporting documentation for all snow/ice event exclusions to the Director of OREP for review. This additional justification will be included in the second and fourth quarter reports. The Company will include data on January through April snow/ice exclusions in its second quarter report, and data on November and December snow/ice exclusions in its fourth quarter report. The Company will continue to submit supporting documentation for snow/ice exclusions in its annual RPM report.

(f) The Company may petition the Commission for exemption from the requirements and/or revenue adjustment associated with the RPM metrics, on a case-by-case basis.

Reporting

The Company will prepare an annual report on its performance under this reliability mechanism. The annual report will be filed by March 31st of each Rate Year with the Secretary to the Commission; Director of the Office of Electric, Gas, and Water; and Director of OREP.

Copies of the annual report will be simultaneously provided to the New York City Department of Transportation ("NYCDOT") Deputy Commissioner of Traffic Operations, the NYCDOT Director of Street Lighting, the Westchester County First Deputy Commissioner of Public Works, and the President of the Utility Workers Union of America, Local 1-2.

The reports will state the:

(a) Company's annual system-wide performance under the Threshold Standards and identify whether a revenue adjustment is applicable and, if so, the amount of the revenue adjustment;

(b) Company's performance under the Major Outage metric and identify whether a revenue adjustment is applicable and, if so, the amount of the revenue adjustment;

(c) Company's performance under the Remote Monitoring System metric and identify whether a revenue adjustment is applicable and, if so, the amount of the revenue adjustment;

(d) Company's performance under the Program Standards applicable during the period and identify whether a revenue adjustment is applicable and, if so, the amount of the revenue adjustment; and

(e) Provide adequate support for all exclusions.

Within 45 days of any event that meets the Major Outage criteria, the Company will file an interim report on the event, containing, among other things, information pertinent to determining whether a revenue adjustment for the event is applicable. Any requests for exclusion must be made in the interim report.

Threshold Standards

In Cases 90-E-1119, 95-E-0165, 96-E-0979, and 02-E-1240, the Commission adopted standards establishing minimum performance for frequency and duration of service interruption for network and radial systems. Under these standards, the frequency of service interruptions is measured by the System Average Interruption Frequency Index ("SAIFI"), and the duration of service interruptions is measured by the Customer Average Interruption Duration Index ("CAIDI").

The system-wide performance targets used for purposes of the threshold standards metric are as set forth below. The measurement periods for the threshold standards are successive 12-month periods ending December 31 of each year. During each annual measurement period, Con Edison's year-end SAIFI index for its entire network system will be measured against the respective SAIFI system-wide performance target. During each annual measurement period, Con Edison's year-end weighted average CAIDI index for its entire network system will be measured against the respective CAIDI system-wide performance target. During each annual measurement period, Con Edison's year-end SAIFI index for its entire radial system will be measured against the respective SAIFI system-wide performance target. During each annual measurement period, Con Edison's year-end weighted average CAIDI index for its entire radial system will be measured against the respective CAIDI system-wide performance target.

The Company's annual performance in maintaining reliability must meet or be better than the Network and Radial SAIFI and CAIDI system-wide performance targets. A total of $20 million is at risk for performance not meeting these targets.

(a) Radial CAIDI

A total of $5 million per year is at risk for radial customer interruption duration performance, as follows:

	Threshold Target (hours)	Revenue Adjustment (millions)
Radial CAIDI	2.04	$5.0

(b) Network CAIDI

A total of $5 million per year is at risk for network customer outage duration performance, as follows:

	Threshold Target (hours)	Revenue Adjustment (millions)
Network CAIDI	6.89	$5.0

(c) Radial SAIFI

A total of $5 million per year is at risk for customer interruption frequency performance, as follows:

	Threshold Target	Revenue Adjustment (millions)
Radial SAIFI	0.495	$5.0

(d) Network SAIFI

A total of $5 million per year is at risk for network outage performance, as follows:

	Threshold Target	Revenue Adjustment (millions)
Network SAIFI	0.0186	$ 5.0

Major Outages

For purposes of this metric, a "major outage" event in a network system is defined as each area substation with the interruption of service to 15 percent or more of the customers in a network for a period of three hours or more. If more than one network served by a single area substation has 15 percent or more network customer outages, the outages will be considered a single network major outage event for purposes of determining the revenue adjustment. In addition, if a major outage event occurs at a double-area substation, it will be considered a single event for purposes of determining the revenue adjustment if the total peak load of the double-area substation is less than 500 MW. If the Company creates any new second contingency networks and area substations that supply second contingency networks during the term of the Electric Rate Plan, those networks and area substations will be covered by this metric. Con Edison shall not be subject to a revenue adjustment when the 15 percent threshold is met due to an outage that is confined to one building within a network.

A major outage event in a radial system is defined as one event that results in the sustained interruption of service to at least 12,500 radial customers for 180,000 or more customer hours. When the shutdown of a network causes connected radial customer outages, only the network major outage metric shall apply. A radial system served by an area substation that is supplied by two feeders and two transformer banks ("Two-bank station") is excluded from the radial major outage metric.

The Company will be subject to an annual maximum revenue adjustment of $110 million. To avoid multiple revenue adjustments for the same operating performance problem or occurrence, interruptions and customer hours of interruption associated with major outage metric revenue adjustments will be excluded from the appropriate year-end system-wide performance calculations until the maximum annual $110 million cap has been reached. After the $110 million annual cap has been reached, the effect of the major outage will be included in the system-wide performance measurements.

The revenue adjustment structure is as follows:

(a) Network Major Outage

Initial Major Outage Event	
Network Outage Duration	**Area Substation with 15% or More Customer Outages in a Network**
3 to 6 hours	$10 million
> 6 hours to 12 hours	$15 million
> 12 hours	$25 million
Additional Major Outage Event(s)	
Network Outage Duration	**Additional Area Substation(s) with 15% or More Customer Outages in a Network**
3 to 6 hours	$7.5 million
> 6 hours to 12 hours	$10 million
> 12 hours	$15 million

(b) Radial Major Outage

A revenue adjustment of $10 million is at risk for each radial major outage event.

<u>Remote Monitoring System</u>

For each network, except upon the occurrence of extraordinary system conditions, the Company will have 90% of its Remote Monitoring System units reporting properly in each network during the second quarter and 85% of its Remote Monitoring System units reporting properly in each network during the first, third and fourth quarters in a calendar year. Failure by the Company to achieve the target level for the Remote Monitoring System will result in a revenue adjustment of $10 million per network per measurement interval with an annual cap of $50 million.

Where the Company can demonstrate that extraordinary circumstances prevented it from achieving the target level, those circumstances will be factored in measuring the Company's compliance with the above requirement. The determination of whether extraordinary circumstances exist will be made on a case-by-case basis and will be based on the particular facts and circumstances presented.

The Company will be required to submit on a quarterly basis, the RMS reporting rate per network during the last month of each quarter.

Program Standards

(a) Pole Repair

i) Definitions

1. "Damaged Poles" are poles damaged by storm conditions, vehicle contact, or other circumstances, and that support existing equipment with temporary external bracing while not posing an immediate threat to the safety of the public or the distribution system.

2. "Double Damaged Poles" are poles damaged by storm conditions, vehicle contact, or other circumstances, and that are not capable of supporting existing equipment. In each of these cases, a new pole is installed next to the damaged pole and is braced to the damaged pole to safely support the damaged pole until the Company transfers equipment to the new pole.

3. "Repair," for purposes of this program standard, means transferring Company facilities to a new pole, and removing or "topping" the "damaged" pole.

ii) Performance Requirements

The Company will strive to repair all "Damaged Poles" and "Double Damaged Poles" in a timely manner. For all "Damaged Poles" and "Double Damaged Poles" that are in existence as of December 31, 2022, Con Edison will make permanent repairs and is subject to the revenue adjustment as required by the prior reliability mechanism. For all "Damaged Poles" and "Double Damaged Poles" that come into existence on or after January 1, 2023, Con Edison will make repairs within 30 days from the date the Company became aware of the "Damaged Pole" or "Double Damaged Pole" for at least 90% of these new "Damaged Poles" and "Double Damaged Poles". In the event the Company does not achieve the 90% within the 30 days threshold for "Damaged Poles" and "Double Damaged Poles" that come into existence during or after the 2023 calendar year, it will incur a revenue adjustment of $3 million for such year.

Con Edison will make repairs to all “Damaged Poles” and “Double Damaged Poles” that come into existence on or after January 1, 2023 within six months of the dates the Company became aware of the damaged poles.

iii) Storm Exclusion

In an effort to permit the Company to utilize labor resources most effectively and facilitate the restoration of customers, the Company may utilize up to 60 days to make repairs on 90% of poles that become “Damaged Poles” and “Double Damaged Poles” during qualifying major storm events as defined in 16 NYCRR Part 97. Where the Company does not immediately make repairs on its poles, the Company shall ensure that each “Damaged Pole” and “Double Damaged Pole” is safe for public and vehicle access.

iv) Extraordinary Circumstances Exception

Where the Company can demonstrate that extraordinary circumstances prevent a repair within the 30-day, 60-day, or six-month time frames, as appropriate, that non-repair will not be considered in measuring the Company's compliance with these requirements. The determination of whether extraordinary circumstances exist will be made on a case-by-case basis and will be based on the particular facts and circumstances presented.

v) Reporting

The Company’s annual report will: (i) report on "Damaged Poles" and "Double Damaged Poles" that come into existence from January 1 through December 31 of the prior year; (ii) provide the status of "Damaged Poles" and "Double Damaged Poles" that existed before January 1 of the prior year; (iii) identify the “Damaged Poles” and “Double Damaged Poles” that were not repaired; and, (iv) describe the extraordinary circumstances, if any, that prevented the repairs from being made. For (i) and (ii), the report will include, at a minimum, a listing of the damaged pole locations, the date the Company became aware of the problem at that location, and the date of the repair.

(b) Shunt Removal

It is not the purpose of this metric to require Con Edison to eliminate the use of temporary shunts; to the contrary, temporary shunts may be needed to restore electric service pending permanent repairs. In cases where temporary shunts are used, the Company will strive to remove them and make permanent repairs in a timely manner. It is Con Edison's responsibility to identify all shunts installed by the Company.

i) Definitions

1. "Temporary Shunts" are cables installed by the Company to temporarily maintain service continuity to a customer pending the permanent repair of a Company facility.

2. "Publicly Accessible Shunts" include street/sidewalk shunts and overhead to underground service shunts, including shunts to street lights, installed by the Company. Shunts installed within individual customer facilities, typically behind the customer's meter (called a "meter pan bridge") or inside the customer's end line box (called a "service bridge"), that are not accessible to the general public are not covered by this metric.

3. "Permanent Repair" means that the condition necessitating the shunt has been fully remediated and service has been restored by the Company to the customer's facility before the shunt is removed.

ii) Performance Requirements

The Company will not remove any shunt that will have the effect of leaving a streetlight or traffic signal without power, except for exigent safety reasons,[4] until the condition giving rise to the need for the shunt has been completely repaired. Furthermore, it is Con Edison's responsibility to repair the conditions on its system that required the use of the temporary shunts. For all shunts that are in existence as of December 31, 2022, Con Edison will make permanent repairs as required by the prior reliability mechanism. For all shunts that come into existence on or after January 1, 2023, Con Edison will make permanent repairs for at least 90% of these new cases within 90 days during the winter

[4] In such situations, and as appropriate, the Company either will replace its temporary shunt or make the permanent repair.

months, which are defined for purposes of this metric as January, February, March, April, November, and December, and at least 90% of these cases within 60 days during the remaining six months, May through October. Failure to reach the 90% threshold will result in the follow revenue adjustments:

Adjustment Level

Winter Months $1,500,000
May – October $1,500,000

Con Edison will make permanent repairs in all cases in which temporary shunts are installed on or after January 1, 2023 within six months of the dates the shunts are installed. The 60-day, 90-day and six-month periods for making permanent repairs may be tolled in the event that, and for the period corresponding to, a third party (such as the municipal customer) must perform service at the site prior to, and as a precondition to, Con Edison's completion of work. The Company will be responsible for providing notice to the third party that its work is a precondition to the Company's work and for demonstrating the applicability of the tolling period.

iii) Extraordinary Circumstances Exception

Where the Company can demonstrate that extraordinary circumstances prevented a shunt repair within the 60-day, 90-day, or six-month time frames, as appropriate, that non-repair will not be considered in measuring the Company's compliance with the above requirements. The determination of whether extraordinary circumstances exist will be made on a case-by-case basis and will be based on the particular facts and circumstances presented (*e.g.*, documentation demonstrating delays of more than 30 days in receiving street-opening permits from NYCDOT).

iv) Reporting

The Company's annual report will: (i) report on shunts installed from January 1 through December 31 of the prior year; (ii) provide the status of shunts installed before January 1 of the prior year; (iii) identify the shunt locations that were not permanently repaired within the 60-day, 90-day, and six-month periods described above; and, (iv) describe the extraordinary circumstances, if any, that prevented the permanent repair of the shunts. For (i) and (ii), the report will include, at a minimum, a listing of the shunt locations, the date the Company became aware of the problem at each such location, the date the shunt was installed, the date of the permanent repair, and the date the shunt was removed.

(c) No Current Street Lights and Traffic Signals

i) Definitions

1. A "no current" is a location where Con Edison's electric service supplying power to municipal street lights or traffic signals is not working due to a failure of Con Edison's service to the customer facility point, and the date that a "no current" comes into existence is the date of the "stop tag" notifying Con Edison of the "no current" condition.
2. "Permanent repair" means that service has been permanently restored by the Company to the customer's facility point.

ii) Performance Requirements

The Company will strive to make permanent repairs to all no currents (including both street lights and traffic signals) in a timely manner.

For all no currents that are in existence as of December 31, 2022, Con Edison will make permanent repairs as required by the prior reliability mechanism. An exception will be made in situations in which the Company can demonstrate that it could not complete its repair due to work required to be undertaken by third parties. For all no currents that come into existence on or after January 1, 2023, Con Edison will make permanent repairs for at least 90% of these new cases within 90 days during the winter months, which are defined for purposes of this metric as January, February, March, April, November, and December, and at least 80% of these new cases within 45 days during the remaining six months, May through October. The Company's maximum exposure each year under this metric will be $3 million, as follows:

Adjustment Level
Winter Months $1,500,000
May – October $1,500,000

The Company will make permanent repairs to all no currents that come into existence on or after January 1, 2023 within six months of the dates they come into existence. The 45-day, 90-day, and six-month periods for making permanent repairs may be tolled in the event that, and for the period corresponding to, a third party (such as the municipal customer) must perform service at the site prior to, and as a precondition to, Con Edison's completion of work. The Company will be responsible for providing notice to the third party that its work is a precondition to the Company's work and for demonstrating the applicability of the tolling period.

iii) Extraordinary Circumstances Exception

Where the Company can demonstrate that extraordinary circumstances prevented a "no current" from being permanently repaired within the 45-day, 90-day, or six-month time frames, as appropriate, that non-repair will not be considered in measuring the Company's compliance with the above requirements. The determination of whether extraordinary circumstances exist will be made on a case-by-case basis and will be based on the particular facts and circumstances presented (*e.g.*, documentation demonstrating delays of more than 30 days in receiving street opening permits from NYCDOT).

iv) Reporting

The Company's annual report will: (i) report on "no currents" that came into existence from January 1 through December 31 of the prior year; (ii) provide the status of "no currents" that existed before January 1 of the prior year; (iii) identify the "no current" locations that were not repaired within the 45-day, 90-day, and six month periods; and, (iv) describe the extraordinary circumstances, if any, that prevented the permanent repair of the "no currents." For (i) and (ii), the report will include, at a minimum, a listing of the "no current" locations, the date the Company became aware of the problem at each location, and the date of the permanent repair at each location.

(d) Over-Duty Circuit Breakers

Many of the Company's substations' circuit breakers are at or over their fault current capacity requiring customers with synchronous distributed generators sited in those networks to install customer side fault current mitigation where possible. Elimination of over-duty circuit breakers and taking other reasonable steps necessary to enable the installation of synchronous generators is a priority because of the significant interest in the use of DG to address a variety of concerns.

The Company will pay the cost of purchasing and installing fault current mitigation technology where an over-duty circuit breaker condition exists or will exist with the addition of DG to Con Edison's system up to a total of $3 million annually. The Company would cover the cost of only the least expensive, effective fault current mitigation device. The Company would be responsible for replacing this device when still needed due to an over-duty circuit breaker condition, including replacements needed as a result of a blown fuse, age, and regular wear and tear, unless the Company can demonstrate that the equipment damage is based on the actions or equipment of DG operations. If over-duty breaker conditions no longer exist and the fault current mitigation device is no longer working, the Company would not be required to replace this device. The Company's incremental costs related to the purchase and installation of fault current mitigation technology will be deferred for recovery from customers.

i) Performance Requirements

For 13 kV and 27 kV over-duty circuit breakers, except upon the occurrence of extraordinary system conditions, the Company will replace a target of at least 50 over-duty circuit breakers during the calendar year (the "annual target level") and at least 180 over-duty circuit breakers during each three-year period (the "triannual target level").

There will be revenue adjustment applicable for the annual and for the triannual performance. If the Company does not achieve the annual target level for over-duty circuit breaker replacements, the Company will be subject to a $100,000 per breaker revenue adjustment with a maximum revenue adjustment of $1.5 million. If the Company does not achieve the triannual target level for over-duty circuit breaker replacements, the Company will be subject to an additional $100,000 per breaker revenue adjustment with a maximum revenue adjustment of $3 million.

ii) Selection and Prioritization of Replacements

The Company will, to the extent practicable, seek to include over-duty circuit breaker replacements in situations where maximum fault currents are between 100 and 103 percent of the breaker rating. The Company will determine the prioritization of breaker replacements. The Company will have at least one meeting of all interested DG parties annually to review implementation of the effort and to address prioritization of where to replace over-duty circuit breakers. This annual meeting should be done in conjunction with efforts to improve communications with the DG community.

iii) Extraordinary Circumstances Exception

Where the Company can demonstrate that extraordinary circumstances prevented it from achieving the target levels for the rate year, those circumstances will be factored in measuring the Company's compliance with the above requirements. The determination of whether extraordinary circumstances exist will be made on a case-by-case basis and will be based on the particular facts and circumstances presented.

iv) Reporting

The Company’s annual report will: (i) report on the number of over-duty breakers in existence from January 1 through December 31 of the prior year; (ii) provide the status of the Company's efforts on replacing the over-duty breakers; (iii) identify all over-duty breakers that were replaced over the course of the prior calendar year; and (iv) describe the extraordinary circumstances, if any, that prevented the Company from achieving the target level for replacements.

(e). Level II Deficiency Repairs

i) Definitions

1. A “Level II Deficiency” is a deficiency that is likely to fail prior to the next inspection cycle and represents a threat to safety and/or reliability should a failure occur prior to repair as defined in the Commission’s Electric Safety Standards (current version in Order dated January 13, 2015 in Case 04-M-0159)

ii) Performance Requirements

For all Level II Deficiencies that come into existence on or after January 1, 2023, Con Edison will strive to make repairs to all within 365 days from the date the Company became aware of the Level II Deficiencies. In the year Con Edison does not repair 85% of these Level II Deficiencies within the 365-day threshold, the Company will incur a revenue adjustment of $2 million.

iii) Extraordinary Circumstances Exception

Where the Company can demonstrate that extraordinary circumstances prevented it from achieving the target levels for the rate year, those circumstances will be factored in measuring the Company's compliance with the above requirements. The determination of whether extraordinary circumstances exist will be made on a case-by-case basis and will be based on the particular facts and circumstances presented.

iv) Reporting

The Company will report its performance as part of the comprehensive report filed by February 15 each year in Case 04-M-0159 and as part of its annual RPM filing. The Company's annual RPM report will: (i) report on the number of Level II Deficiencies discovered from January 1 through December 31 of the prior year; (ii) provide the status of the Company's efforts on repairing the Level II Deficiencies; (iii) identify any Level II Deficiencies that have been reclassified as another deficiency level during the prior calendar year, reason for such reclassification, and the amount of deficiencies that have been reclassified; (iv) identify any deficiencies that have been reclassified as a Level II Deficiencies during the prior calendar year, reason for such reclassification, and the amount of deficiencies that have been reclassified; and (v) describe the extraordinary circumstances, if any, that prevented the Company from achieving the target level for repairs.

(f). Westchester County Resilience and Reliability

i) Performance Requirements

The Company will spend at least 90% of its annual Westchester County Resilience and Reliability metric threshold ($25 million) in RY1. For RY2 and RY3, the Company will spend at least 90% of its annual Westchester County Resilience and Reliability metric threshold ($25 million) plus or minus any funds above or below the annual Westchester County Resilience and Reliability metric threshold that were spent or not spent in the prior Rate Year. Company spending for this metric will be provided from the following resiliency-focused capital programs: Critical Facilities, Non-Network Reliability, Non-Network Resiliency with FLISR, USS Switchgear Flood Protection, and Selective Undergrounding Pilot.

ii) Extraordinary Circumstances Exception

Where the Company can demonstrate that extraordinary circumstances prevented it from achieving the target levels for the rate year, those circumstances will be factored in measuring the Company's exposure to a negative revenue adjustment. The determination of whether extraordinary circumstances exist will be made on a case-by-case basis and will be based on the particular facts and circumstances presented. Petitions filed requesting an exception shall not seek to reduce the total amount of reliability related investment required in Westchester County.

iii) Reporting

The Company's annual report will include: (i) the total amount spent from January 1 through December 31 of the prior Rate Year; (ii) the current annual Westchester County Resilience and Reliability metric threshold, including any unspent funds from the prior rate year, if applicable; (iii) a description of measures addressed in each category (Critical Facilities, Non-Network Reliability, Non-Network Resiliency with FLISR, USS Switchgear Flood Protection, and Selective Undergrounding Pilot), and (iv) a description of circumstances, if any, that prevented the Company from achieving the target level of spending.

Appendix 19 -- Gas Performance Mechanism

Consolidated Edison Company of New York, Inc.
Cases 22-G-0065
Gas Safety Performance Metrics

The gas safety performance measures described herein will be in effect for the term of the Gas Rate Plan. Unless otherwise indicated, all gas safety measures and targets (and associated revenue adjustments)[1] for calendar year 2025 remain in effect thereafter unless and until changed by the Commission.[2]

Negative Revenue Adjustments

1. **Leak Management/Emergency Response/Damages**

a. Leak Management - Year-End Total Backlog

If the year-end total leak backlog (types 1, 2, 2A, 2M and 3)[3] exceeds the targets set forth below for Rate Years 2023, 2024 and 2025, the following negative revenue adjustments will be accrued on the Company's books for the benefit of firm customers for each Rate Year that the performance measures noted below are not attained. Backlog must be at or below target between December 21 and December 31.[4]

2023	
174 or less	No adjustment
175 to 184	5 basis points
185 to 194	10 basis points

[1] Negative revenue adjustments relating to the Gas Safety Performance metrics in this section shall not exceed 150 basis points in any calendar year, unless and until changed by the Commission.

[2] The cumulative 240-mile replacement target established below, for the three-year period 2023 to 2025, does not remain in effect beyond 2025. However, the miles of main removal per year will remain at 80 miles, unless and until changed by the Commission.

[3] These are defined in Company specification G-11809.

[4] Only "successful elimination" of a leak will be considered a valid leak repair. The successful elimination of a leak is defined as both: a leak repaired which does not require a recheck inspection, and a leak requiring recheck inspection that successfully completes the recheck inspection, Recheck inspections as required by the pipeline safety regulations. Leaks that fail recheck inspections must be added back into the backlog.

195 or greater	15 basis points[5]

2024

159 or less	No adjustment
160 to 169	5 basis points
170 to 179	10 basis points
180 or greater	15 basis points

2025

144 or less	No adjustment
145 to 154	5 basis points
155 to 164	10 basis points
165 or greater	15 basis points

b. Emergency Response - 30 Minute Response Time

If Con Edison does not respond to gas leak or odor calls within 30 minutes for at least 75 percent of the calls for Rate Years 2023, 2024 and 2025, a negative revenue adjustment of 12 basis points will be accrued on the Company's books for the benefit of firm customers for each Rate Year that the performance measures are not attained.

Instances of 20 or more emergency reports within a 2-hour period resulting from mass area odor complaints, major weather-related events, or major equipment failure that is not caused by the Company may be excluded from the emergency response measure provided an informational filing is made within the respective case number. All emergency reports from an event shall be included in the exclusion filing. The exclusion filing shall: (1) be filed within 2 weeks, or 10 working days from the conclusion of such an event; (2) detail how and why the event met the prescribed exclusion criteria; (3) detail the number of

[5] The basis point negative revenue adjustment associated with each measure is stated on a pre-tax basis. The revenue requirement equivalent of a basis point on common equity capital per the gas revenue requirements under this Proposal is estimated to be the same amounts shown in footnote 70 of the Joint Proposal.

emergency reports to be excluded; (4) detail the Company's response time for each of the emergency reports; and (5) detail any classified leaks, their respective Company identification numbers, and their respective dispositions, that resulted from the emergency reports.[6]

c. Emergency Response - 45 Minute Response Time

If Con Edison does not respond to gas leak or odor calls within 45 minutes for at least 90 percent of the calls for Rate Years 2023, 2024 and 2025, a negative revenue adjustment of 8 basis points will be accrued on the Company's books for the benefit of firm customers for each Rate Year that the performance measures are not attained.

d. Emergency Response - 60 Minute Response Time

If Con Edison does not respond to gas leak or odor calls within 60 minutes for at least 95 percent of the calls for Rate Years 2023, 2024 and 2025, a negative revenue adjustment of 5 basis points will be accrued on the Company's books for the benefit of firm customers for each Rate Year that the performance measures are not attained.

e. Damage Prevention

All damages will be tracked, measured, and counted following the guidelines for the data reported for the Annual Gas Safety Performance Measures report. Con Edison will exclude refreshes from "New York 811." Con Edison will not exclude refreshes[7] from "UDig NY" because "UDig NY"

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[6] This exclusion, as well as the right to petition the Commission pursuant to the General Provisions section below, also applies to the 45-Minute Response Time and 60-Minute Response Time measures.

[7] Refreshes are defined in the guidelines as any one-call ticket which has the same requesting party and location of the proposed scope of work.

(Westchester County) only recently obtained the ability to exclude refresh tickets. Con Edison will track the "UDig NY" numbers with refreshes excluded in 2023, 2024, and 2025 to develop future damage prevention performance numbers that exclude refreshes.

f. Total Damages

If the number of total damages to Company gas facilities made by any party exceeds the targets set forth below per 1,000 one-call tickets in Rate Years 2023, 2024 and 2025, the negative revenue adjustment associated with such target will be accrued on the Company's books for the benefit of firm customers for each Rate Year that the performance measure noted below is not attained.

Less than or equal to 2.00	No adjustment
Greater than 2.00 but less than or equal to 2.25	5 basis points
Greater than 2.25 but less than or equal to 2.50	10 basis points
Greater than 2.50	20 basis points

2. **<u>Gas Infrastructure Replacement or Reduction (GIRR)</u>**

The Company will remove from service 240 miles of 12-inch and under cast iron and unprotected steel gas main during the three-year Rate Plan period, 2023 to 2025.[8] The Company will remove a minimum of 76 miles in 2023 and 76 miles in 2024.[9]

If the Company does not meet the annual target for removal of leak-prone gas main in 2023 or 2024, the Company will accrue on the Company's books of account a negative revenue adjustment equivalent to 15 basis points for such Rate Year(s), which will be applied

[8] 12 inch and under cast iron and unprotected steel gas main that is abandoned in place will count towards this metric.

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to the benefit of firm customers.

If the Company does not remove from service a total of 240 miles of leak prone pipe over the three-year period 2023 through 2025, a negative revenue adjustment equivalent to 15 basis points will be accrued on the Company's books for the benefit of firm service customers. The Company also must remove at least 12 miles of flood prone pipe over the three-year Gas Rate Plan, of which at least six miles will be in New York City and at least six miles will be in Westchester County.

3. **Gas Regulations Performance Measure**

As per Attachment 1, "Gas Safety Compliance Measure Procedure."

4. **General Provisions**

The Company will report its annual performance in each of the areas set forth in this Appendix to the Secretary to the Commission no later than sixty (60) days following the end of each calendar year. If a performance metric is not met, the associated negative revenue adjustment will be excused when the Company can demonstrate to the Commission extenuating circumstance that prevented the Company from meeting such performance metric. The determination of whether such circumstances exist will be made on a case-by-case basis by the Commission.

Positive Rate Adjustments

1. **Leak Management/Emergency Response/Damage Prevention**

a. Leak Management - Year-End Total Backlog

The Company shall receive a positive revenue adjustment, up to an annual maximum of 6 basis points, for reducing the leak backlog below the associated annual targets as detailed below.

2023	
26 to 75	2 BP
16 to 25	4 BP
<=15	6 BP

2024	
16 to 50	2 BP
11 to 15	4 BP
<=10	6 BP

2025	
11 to 25	2 BP
3 to 10	4 BP
<=2	6 BP

To be eligible for the positive revenue adjustments set forth above, 85% of leaks in each Rate Year must be repaired within 50 days, and Con Edison will file an annual report on any leaks not repaired within one year. Con Edison will report its performance in repairing 85% of leaks in 50 days and any leaks not repaired within one year in its annual filing to the Secretary on its performance in each of the areas set forth in this Appendix.

b. <u>Emergency Response</u>

If Con Edison responds to gas leak or odor calls within 30 minutes for the following percentages of the calls for calendar years 2023, 2024 and 2025, the Company shall receive a positive revenue adjustment of 2, 4, or 6 basis points as set forth below:

2023	
Response within 30 minutes 96% to 96.99%	2 BP
Response within 30 minutes 97% to 98.99%	4 BP
Response within 30 minutes =>99.00%	6 BP

2024	
Response within 30 minutes 96.5% to 97.49%	2 BP
Response within 30 minutes 97.5% to 99.49%	4 BP
Response within 30 minutes =>99.50%	6 BP

<u>2025</u>

Response within 30 minutes 97% to 97.99%	2 BP
Response within 30 minutes 98% to 99.49%	4 BP
Response within 30 minutes =>99.50%	6 BP

c. **Damage Prevention**

If the Company successfully reduces the number of total damages to Company gas facilities made by any party, Con Edison shall receive for the applicable year(s) a positive revenue adjustment. The basis points available for damage prevention performance (per 1,000 one-call tickets) for each of Rate Year is shown below:

2023	
1.21 to 1.40	5 BP
<=1.20	10 BP
2024	
1.11 to 1.30	5 BP
<=1.10	10 BP
2025	
1.01 to 1.20	5 BP
<=1.00	10 BP

Compliance Measure Procedure

Applicability

The compliance measure applies to instances of non-compliances (occurrences or violations) of certain gas pipeline safety-related regulations set forth below that are identified and included in Staff's record and field audit letters. The categorization of non-compliances as high risk or other risk is for administrative purposes and does not constitute an admission by Consolidated Edison Company of New York, Inc. (the operator) as to the level of risk associated with any such regulation or the non-compliance thereunder, or that there is any risk associated with the non-compliance.

The compliance measure covers the calendar years associated with the rate proceeding in Case 22-G-0065 and remains in effect until changed by the Commission.

Targets

The operator will incur negative revenue adjustments for each high risk and other risk non-compliance as set forth in the following tables:

2023 through 2025 Field Audits		
Associated Risk	Target (Number of Non-Compliances)	Negative Revenue Adjustment (Basis Points per Non-Compliance)
High Risk	1 to 20	0.50
High Risk	Greater than 20	1.00
Other Risk	Greater than 0	0.25

For field audits, only actions performed or required to be performed by the operator in the calendar year the audit is conducted may constitute a non-compliance under this measure.

2023 Record Audits		
Associated Risk	Target (Number of Non-Compliances)	Negative Revenue Adjustment (Basis Points per Non-Compliance)
High Risk	16 to 20	0.50
High Risk	Greater than 20	1.00
Other Risk	Greater than 25	0.25

2024 Record Audits		
Associated Risk	Target (Number of Non-Compliances)	Negative Revenue Adjustment (Basis Points per Non-Compliance)
High Risk	11 to 20	0.50
High Risk	Greater than 20	1.00
Other Risk	Greater than 20	0.25

2025 Record Audits		
Associated Risk	Target (Number of Non-Compliances)	Negative Revenue Adjustment (Basis Points per Non-Compliance)
High Risk	6 to 20	0.50
High Risk	Greater than 20	1.00
Other Risk	Greater than 15	0.25

For record audits, only documentation required to be performed during the calendar year prior to the calendar year in which the record audit is conducted may constitute a non-compliance under this measure. Unless it is a continuing violation from prior years, in which case it may constitute a non-compliance under this measure.

Field and Record Audits

On a calendar year basis, Staff conducts field and record audits to determine the operator's compliance with the pipeline safety regulations contained in 16 NYCRR §§10, 232, 255, 257, 258, 259, 261, 262, 293, 420, 733, and 753, Title 49 of United States Code of Federal Regulations (49 CFR) §193, and the relevant statutory provisions in General Business Law and Public Service Law. At the conclusion of each audit, Staff will present its findings at a compliance meeting to the operator.

The operator shall have ten business days from the date of the compliance meeting to cure any identified document deficiency. Only official operator records, as defined in the operator's operating and maintenance procedures, shall be considered by Staff as a cure to a document deficiency. Staff shall provide the operator with the field and record audit letters and shall file the letters in Case 22-G-0065. Only non-compliances identified and included in Staff's field and record audit letters shall be considered for the compliance measure.

The field and record audit letters require, if applicable, that the operator respond within thirty days of the audit letter detailing what actions have and/or will be taken by the operator to remediate the non-compliances and to address Staff's concerns, and to prevent future reoccurrences. The operator's response may also include any disputes related to the non-compliance, including but not limited to, sufficient arguments regarding the appropriateness of applying a negative revenue adjustment. The operator shall file, if applicable, its response to an audit letter in Case 22-G-0065.

In addition, should the operator address non-compliances of a single regulation in excess of ten per audit type (field or record) per calendar year through a remediation plan, the operator shall file the remediation plan within ninety days of Staff's field or record audit letters in Case 22-G-0065. The remediation plan shall include, at a minimum, an analysis for the non-compliances, and an explanation of how the non-compliances will be resolved, including the dates by which the non-compliances will be brought into compliance or, where appropriate, when remedial actions will be taken to prevent future recurrence.

Staff then will review and consider each non-compliance for applicability with the compliance measure on a case-by-case basis. Non-compliances subject to a separate penalty proceeding under Public Service Law Section 25 or 25-a, and non-compliances for which sufficient arguments have been raised regarding the appropriateness of a negative revenue adjustment, will be excluded from consideration. Once reviewed and the circumstances considered, Staff shall file the negative revenue adjustment letter in Case 22-G-0065.

Should the operator elect to dispute the non-compliances or negative revenue adjustments, or to seek exclusions based on extenuating circumstances, the operator shall file a petition within sixty days of Staff's negative revenue adjustment letter in Case 22-G-0065. For those disputed items or exclusions, the operator will not incur a negative revenue adjustment until such time that the Commission has issued a determination. Prior to the issuance of a determination, the Commission may, in its discretion, provide the operator with an evidentiary hearing.

Negative Revenue Adjustments

The operator will incur negative revenues adjustments for each high risk and other risk non-compliance up to a combined maximum of seventy-five basis points per calendar year, as per the above targets, and the Joint Proposal in Case 22-G-0065.

The number of non-compliances, for any applicable regulation, may be capped at ten per audit type (field or record) per calendar year provided a remediation plan is filed in Case 22-G-0065. If the operator files a remediation plan, it shall include, at a minimum, an analysis for the non-compliances, and an explanation of how the non-compliances will be resolved, including the dates by which the non-compliances will be brought into compliance or, where appropriate, when remedial actions will be taken to prevent future recurrence.

Remediation plans shall be filed with the Secretary to the Commission within ninety days of Staff's field or record audit letters. If the operator fails to file a remediation plan or fails to comply with the provisions of its remediation plan, those non-compliances in excess of ten shall be incorporated with the remainder of the non-compliances being considered under this measure.

If the operator elects to dispute the non-compliances or negative revenue adjustments, or to seek exclusions of certain non-compliances based on extenuating circumstances, the operator shall file a petition within sixty days of Staff's negative revenue adjustment letter in Case 22-G-0065. For those disputed items or exclusions, the operator will not incur a negative revenue adjustment until the Commission has issued a determination. Prior to the issuance of a determination, the Commission may, in its discretion, provide the operator with an evidentiary hearing.

The operator does not waive its right to seek judicial appeal of any Commission determination under applicable law. Should the operator elect to seek judicial appeal of any Commission determination under applicable law, the operator will not incur a negative revenue adjustment until such time that the judicial review is complete, and a determination rendered.

If a non-compliance is the subject of a separate penalty proceeding under Public Service Law Section 25 or 25-a, the non-compliance shall not be considered for the compliance measure.

If a non-compliance has a corresponding procedural non-compliance under 16 NYCRR §255.603(d), both non-compliances shall be considered as a single non-compliance for the compliance measure.

Risk Rankings

The pipeline safety regulations are contained in 16 NYCRR §§10, 232, 255, 257, 258, 259, 261, 262, 293, 420, 733, and 753, 49 CFR §193, and the relevant statutory provisions contained in General Business Law and Public Service Law. Set forth below are the high risk and other risk pipeline safety regulations being considered for the compliance measure.

Attachment 1

Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
16	III	C	255	5	(g)	Class Locations	High
16	III	C	255	14	(a)	Conversion to Service Subject to this Part	High
16	III	C	255	14	(b)	Conversion to Service Subject to this Part	Other
16	III	C	255	17	All	Preservation of Records	Other
16	III	C	255	18	(a),(c)	Notifications and Reports	High
16	III	C	255	53	All	Materials - General	High
16	III	C	255	65	All	Materials - Transportation of Pipe	High
16	III	C	255	67	(a),(b)	Records - Material Properties	High
16	III	C	255	103	All	Pipe Design - General	High
16	III	C	255	127	(a),(b)	Records - Pipe Design	High
16	III	C	255	143	All	Design of Pipeline Components - General Requirements	High
16	III	C	255	159	All	Design of Pipeline Components - Flexibility	High
16	III	C	255	161	All	Design of Pipeline Components - Supports and Anchors	High
16	III	C	255	163	All	Compressor Stations - Design and Construction	Other
16	III	C	255	165	All	Compressor Stations - Liquid Removal	Other
16	III	C	255	167	All	Compressor Stations - Emergency Shutdown	High
16	III	C	255	169	All	Compressor Stations - Pressure Limiting Devices	High
16	III	C	255	171	All	Compressor Stations - Additional Safety Equipment	Other
16	III	C	255	173	All	Compressor Stations - Ventilation	High
16	III	C	255	179	All	Valves on Pipelines to Operate at 125 PSIG (862 kPa) or More	High
16	III	C	255	181	All	Distribution Line Valves	High
16	III	C	255	183	All	Vaults - Structural Design Requirements	High
16	III	C	255	185	All	Vaults - Accessibility	Other
16	III	C	255	187	All	Vaults - Sealing, Venting, and Ventilation	Other
16	III	C	255	189	All	Vaults - Drainage and Waterproofing	High
16	III	C	255	190	All	Calorimeter or Calorimixer Structures	Other
16	III	C	255	191	All	Design Pressure of Plastic Fittings	Other
16	III	C	255	193	All	Valve Installation in Plastic Pipe	Other
16	III	C	255	195	All	Protection Against Accidental Overpressuring	High
16	III	C	255	197	All	Control of the Pressure of Gas Delivered from High Pressure Distribution Systems	High
16	III	C	255	199	All	Requirements for Design of Pressure Relief and Limiting Devices	High
16	III	C	255	201	All	Required Capacity of Pressure Relieving and Limiting Stations	High

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
16	III	C	255	203	All	Instrument, Control, and Sampling Piping and Components	Other
16	III	C	255	205	(a),(b)	Records - Pipeline Components	High
16	III	C	255	225	All	Qualification of Welding Procedures	High
16	III	C	255	227	All	Qualification of Welders	High
16	III	C	255	229	All	Limitations On Welders	Other
16	III	C	255	230	All	Quality Assurance Program	Other
16	III	C	255	231	All	Welding - Protection from Weather	High
16	III	C	255	233	All	Welding - Miter Joints	High
16	III	C	255	235	All	Preparation for Welding	High
16	III	C	255	237	All	Welding - Preheating	Other
16	III	C	255	239	All	Welding - Stress Relieving	Other
16	III	C	255	241	(a),(b)	Inspection and Test of Welds	High
16	III	C	255	241	(c)	Inspection and Test of Welds	Other
16	III	C	255	243	(a),(b),(c),(d),(e)	Nondestructive Testing - Pipeline to Operate at 125 PSIG (862 kPa) or More	High
16	III	C	255	243	(f)	Nondestructive Testing - Pipeline to Operate at 125 PSIG (862 kPa) or More	Other
16	III	C	255	244	All	Welding Inspector	High
16	III	C	255	245	All	Welding - Repair or Removal of Defects	High
16	III	C	255	273	All	Joining of Materials other than by Welding - General	High
16	III	C	255	279	All	Joining of Materials other than by Welding - Copper Pipe	High
16	III	C	255	281	All	Joining of Materials other than by Welding - Plastic Pipe	High
16	III	C	255	283	All	Plastic Pipe - Qualifying Joining Procedures	Other
16	III	C	255	285	(a),(b),(d)	Plastic Pipe - Qualifying Persons to make Joints	High
16	III	C	255	285	(c),(e),(f)	Plastic Pipe - Qualifying Persons to make Joints	Other
16	III	C	255	287	All	Plastic Pipe - Inspection of Joints	Other
16	III	C	255	302	All	Notification Requirements	High
16	III	C	255	303	All	Compliance with Construction Standards	High
16	III	C	255	305	All	Inspection - General	High
16	III	C	255	307	All	Inspection of Materials	High
16	III	C	255	309	All	Repair of Steel Pipe	High
16	III	C	255	311	All	Repair of Plastic Pipe	High
16	III	C	255	313	(a),(b),(c)	Bends and Elbows	High
16	III	C	255	313	(d)	Bends and Elbows	Other
16	III	C	255	315	All	Wrinkle Bends in Steel Pipe	High
16	III	C	255	317	All	Protection from Hazards	Other
16	III	C	255	319	All	Installation of Pipe in a Ditch	Other
16	III	C	255	321	All	Installation of Plastic Pipe	High
16	III	C	255	323	All	Casing	Other
16	III	C	255	325	All	Underground Clearance	High

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
16	III	C	255	353	All	Customer Meters and Regulators - Location	Other
16	III	C	255	355	All	Customer Meters and Regulators - Protection from Damage	Other
16	III	C	255	357	(a),(b),(c)	Customer Meters and Service Regulators - Installation	Other
16	III	C	255	357	(d)	Customer Meters and Service Regulators - Installation	High
16	III	C	255	359	All	Customer Meter Installations - Operating Pressure	Other
16	III	C	255	361	(a),(b),(c),(d)	Service Lines - Installation	Other
16	III	C	255	361	(e),(f),(g),(h),(i)	Service Lines - Installation	High
16	III	C	255	363	All	Service Lines - Valve Requirements	Other
16	III	C	255	365	(a),(c)	Service Lines - Location of Valves	Other
16	III	C	255	365	(b)	Service Lines - Location of Valves	High
16	III	C	255	367	All	Service Lines - General Requirements for Connections	Other
16	III	C	255	369	All	Service Lines - Connections to Cast Iron or Ductile Iron Mains	Other
16	III	C	255	371	All	Service Lines - Steel	Other
16	III	C	255	373	All	Service Lines - Cast Iron and Ductile Iron	Other
16	III	C	255	375	All	Service Lines - Plastic	Other
16	III	C	255	377	All	Service Lines - Copper	Other
16	III	C	255	379	All	New Service Lines not in Use	Other
16	III	C	255	381	All	Service Lines - Excess Flow Valve Performance Standards	Other
16	III	C	255	455	(a)	External Corrosion Control - Buried or Submerged Pipelines Installed after July 31, 1971	Other
16	III	C	255	455	(d),(e)	External Corrosion Control - Buried or Submerged Pipelines Installed after July 31, 1971	High
16	III	C	255	457	All	External Corrosion Control - Buried or Submerged Pipelines Installed before July 31, 1971	High
16	III	C	255	459	All	External Corrosion Control - Examination of Buried Pipeline when Exposed	Other
16	III	C	255	461	(a),(b),(d),(e), (f),(g)	External Corrosion Control - Protective Coating	Other
16	III	C	255	461	(c)	External Corrosion Control - Protective Coating	High
16	III	C	255	463	All	External Corrosion Control - Cathodic Protection	High
16	III	C	255	465	(a),(e)	External Corrosion Control - Monitoring	High

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
16	III	C	255	465	(b),(c),(d),(f)	External Corrosion Control - Monitoring	Other
16	III	C	255	467	All	External Corrosion Control - Electrical Isolation	Other
16	III	C	255	469	All	External Corrosion Control - Test Stations	Other
16	III	C	255	471	All	External Corrosion Control - Test Leads	Other
16	III	C	255	473	All	External Corrosion Control - Interference Currents	Other
16	III	C	255	475	All	Internal Corrosion Control - General	Other
16	III	C	255	476	(a),(c)	Internal Corrosion Control - Design and Construction of Transmission Line	High
16	III	C	255	476	(d)	Internal Corrosion Control - Design and Construction of Transmission Line	Other
16	III	C	255	479	All	Atmospheric Corrosion Control - General	Other
16	III	C	255	481	All	Atmospheric Corrosion Control - Monitoring	Other
16	III	C	255	483	All	Remedial Measures - General	High
16	III	C	255	485	(a),(b)	Remedial Measures - Transmission Lines	High
16	III	C	255	485	(c)	Remedial Measures - Transmission Lines	Other
16	III	C	255	487	All	Remedial Measures - Distribution Lines other than Cast Iron or Ductile Iron Lines	Other
16	III	C	255	489	All	Remedial Measures - Cast Iron and Ductile Iron Pipelines	Other
16	III	C	255	490	All	Direct Assessment	Other
16	III	C	255	491	All	Corrosion Control Records	Other
16	III	C	255	493	All	In-Line Inspection of Pipelines	High
16	III	C	255	503	All	Test Requirements - General	Other
16	III	C	255	505	(a),(b),(c),(d)	Strength Test Requirements for Steel Pipelines to Operate at 125 PSIG (862 kPa) or More	High
16	III	C	255	505	(e),(h),(i)	Strength Test Requirements for Steel Pipelines to Operate at 125 PSIG (862 kPa) or More	Other
16	III	C	255	506	All	Transmission Lines - Spike Hydrostatic Pressure Test	High
16	III	C	255	507	All	Test Requirements for Pipelines to Operate at less than 125 PSIG (862 kPa)	Other
16	III	C	255	511	All	Test Requirements for Service Lines	Other
16	III	C	255	515	All	Environmental Protection and Safety Requirements	Other
16	III	C	255	517	All	Test Requirements - Records	Other
16	III	C	255	552	All	Upgrading / Conversion - Notification Requirements	Other

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
16	III	C	255	553	(a),(b),(c),(f)	Upgrading / Conversion - General Requirements	High
16	III	C	255	553	(d),(e)	Upgrading / Conversion - General Requirements	Other
16	III	C	255	555	All	Upgrading to a Pressure of 125 PSIG (862 kPa) or More in Steel Pipelines	High
16	III	C	255	557	All	Upgrading to a Pressure Less than 125 PSIG (862 kPa)	High
16	III	C	255	603	All	Operations - General Provisions	High
16	III	C	255	604	All	Operator Qualification	High
16	III	C	255	605	All	Essentials of Operating and Maintenance Plan	High
16	III	C	255	607	All	Verification of Pipeline Materials and Attributes - Onshore Steel Transmission Pipelines	High
16	III	C	255	609	All	Change in Class Location - Required Study	High
16	III	C	255	611	(a),(d)	Change in Class Location - Confirmation or Revision of Maximum Allowable Operating Pressure	Other
16	III	C	255	613	All	Continuing Surveillance	Other
16	III	C	255	614	All	Damage Prevention Program	High
16	III	C	255	615	All	Emergency Plans	High
16	III	C	255	616	All	Customer Education and Information Program	High
16	III	C	255	619	All	Maximum Allowable Operating Pressure - Steel or Plastic Pipelines	High
16	III	C	255	621	All	Maximum Allowable Operating Pressure - High Pressure Distribution Systems	High
16	III	C	255	623	All	Maximum and Minimum Allowable Operating Pressure - Low Pressure Distribution Systems	High
16	III	C	255	624	All	Maximum Allowable Operating Pressure Reconfirmation - Onshore Steel Transmission Pipelines	High
16	III	C	255	625	(a),(b)	Odorization of Gas	High
16	III	C	255	625	(e),(f)	Odorization of Gas	Other
16	III	C	255	627	All	Tapping Pipelines Under Pressure	High
16	III	C	255	629	All	Purging of Pipelines	High
16	III	C	255	631	All	Control Room Management	High
16	III	C	255	632	All	Engineering Critical Assessment for Maximum Allowable Operating Pressure Reconfirmation - Onshore Steel Transmission Pipelines	High
16	III	C	255	705	All	Transmission Lines - Patrolling	High
16	III	C	255	706	All	Transmission Lines - Leakage Surveys	High
16	III	C	255	707	(a),(c),(d),(e)	Line Markers for Mains and Transmission Lines	Other
16	III	C	255	709	All	Transmission Lines - Record Keeping	Other

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
16	III	C	255	710	(b),(c),(d),(e),(f),(g)	Transmission Lines - Assessments Outside of High Consequence Areas	High
16	III	C	255	711	All	Transmission Lines - General Requirements for Repair Procedures	High
16	III	C	255	712	(a),(b),(d),(e),(f),(g)	Analysis of Predicated Failure Pressure	High
16	III	C	255	713	All	Transmission Lines - Permanent Field Repair of Imperfections and Damages	High
16	III	C	255	715	All	Transmission Lines - Permanent Field Repair of Welds	High
16	III	C	255	717	All	Transmission Lines - Permanent Field Repairs of Leaks	High
16	III	C	255	719	All	Transmission Lines - Testing of Repairs	High
16	III	C	255	721	(b)	Distribution Systems - Patrolling	Other
16	III	C	255	723	All	Distribution Systems -Leakage Surveys and Procedures	High
16	III	C	255	725	All	Test Requirements for Reinstating Service Lines	Other
16	III	C	255	726	All	Inactive Service Lines	Other
16	III	C	255	727	(b),(c),(d),(e),(f),(g)	Abandonment or Inactivation of Facilities	Other
16	III	C	255	729	All	Compressor Stations - Procedures for Gas Compressor Units	High
16	III	C	255	731	All	Compressor Stations - Inspection and Testing of Relief Devices	High
16	III	C	255	732	All	Compressor Stations - Additional Inspections	High
16	III	C	255	735	All	Compressor Stations - Storage of Combustible Materials	Other
16	III	C	255	736	All	Compressor Stations - Gas Detection	High
16	III	C	255	739	(a),(b)	Pressure Limiting and Regulating Stations - Inspection and Testing	High
16	III	C	255	739	(c),(d),(e),(f)	Pressure Limiting and Regulating Stations - Inspection and Testing	Other
16	III	C	255	741	All	Pressure Limiting and Regulating Stations - Telemetering or Recording Gauges	Other
16	III	C	255	743	(a),(b)	Pressure and Limiting and Regulating Stations - Testing of Relief Devices	High
16	III	C	255	743	(c)	Regulator Station MAOP	Other
16	III	C	255	744	All	Service Regulators and Vents - Inspection	Other
16	III	C	255	745	All	Transmission Line Valves	High
16	III	C	255	747	All	Valve Maintenance - Distribution Systems	Other
16	III	C	255	748	All	Valve Maintenance - Service Line Valves	Other
16	III	C	255	749	All	Vault Maintenance	Other

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
16	III	C	255	750	All	Launcher and Receiver Safety	High
16	III	C	255	751	All	Prevention of Accidental Ignition	High
16	III	C	255	753	All	Caulked Bell and Spigot Joints	Other
16	III	C	255	755	All	Protecting Cast Iron Pipelines	High
16	III	C	255	756	All	Replacement of Exposed or Undermined Cast Iron Piping	High
16	III	C	255	757	All	Replacement of Cast Iron Mains Paralleling Excavations	High
16	III	C	255	801	All	Reports of accidents	Other
16	III	C	255	803	All	Emergency Lists of Operator Personnel	Other
16	III	C	255	805	(a),(b),(e),(g),(h)	Leaks - General	Other
16	III	C	255	807	(a),(b),(c)	Leaks - Records	Other
16	III	C	255	807	(d)	Leaks - Records	High
16	III	C	255	809	All	Leaks - Instrument Sensitivity Verification	High
16	III	C	255	811	(b),(c),(d),(e)	Leaks - Type 1 Classification	High
16	III	C	255	813	(b),(c),(d)	Leaks - Type 2A Classification	High
16	III	C	255	815	(b),(c),(d)	Leaks - Type 2 Classification	High
16	III	C	255	817	All	Leaks - Type 3 Classification	Other
16	III	C	255	819	(a)	Leaks - Follow-Up Inspection	High
16	III	C	255	821	All	Leaks - Nonreportable Reading	High
16	III	C	255	823	(a),(b)	Interruptions of Service	Other
16	III	C	255	825	All	Logging and Analysis of Gas Emergency Reports	Other
16	III	C	255	829	All	Annual Report	Other
16	III	C	255	831	All	Reporting Safety-Related Conditions	Other
16	III	C	255	905	All	High Consequence Areas	High
16	III	C	255	907	All	General (IMP)	Other
16	III	C	255	909	All	Changes to an Integrity Management Program (IMP)	Other
16	III	C	255	911	All	Required Elements (IMP)	High
16	III	C	255	915	All	Knowledge and Training (IMP)	High
16	III	C	255	917	All	Identification of Potential Threats to Pipeline Integrity and Use of the Threat Identification in an Integrity Program (IMP)	High
16	III	C	255	919	All	Baseline Assessment Plan (IMP)	High
16	III	C	255	921	All	Conducting a Baseline Assessment (IMP)	High
16	III	C	255	923	All	Direct Assessment (IMP)	High
16	III	C	255	925	All	External Corrosion Direct Assessment (ECDA)(IMP)	High
16	III	C	255	927	All	Internal Corrosion Direct Assessment (ICDA)(IMP)	High
16	III	C	255	931	All	Confirmatory Direct Assessment (CDA)(IMP)	High
16	III	C	255	933	All	Addressing Integrity Issues (IMP)	High

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
16	III	C	255	935	All	Preventive and Mitigative Measures to Protect the High Consequence Areas (IMP)	High
16	III	C	255	937	All	Continual Process of Evaluation and Assessment (IMP)	High
16	III	C	255	939	All	Reassessment Intervals (IMP)	High
16	III	C	255	941	All	Low Stress Reassessment (IMP)	Other
16	III	C	255	945	All	Measuring Program Effectiveness (IMP)	Other
16	III	C	255	947	All	Records (IMP)	Other
16	III	C	255	1003	All	General Requirements of a GDPIM Plan	High
16	III	C	255	1005	All	Implementation Requirements of a GDPIM Plan	High
16	III	C	255	1007	All	Required Elements of a GDPIM Plan	High
16	III	C	255	1009	All	Required Report when Compression Couplings Fail	High
16	III	C	255	1011	All	Records an Operator Must Keep (GDPIM)	Other
16	III	C	255	1015	All	GDPIM Plan Requirements for a Master Meter or a Small Liquefied Petroleum Gas (LPG) Operator	High
16	III	C	261	15	All	Operation and Maintenance Plan	High
16	III	C	261	17	(a),(c)	Leakage Survey	High
16	III	C	261	19	All	High Pressure Piping	Other
16	III	C	261	21	All	Carbon Monoxide Prevention	High
16	III	C	261	51	All	Warning Tag Procedures	High
16	III	C	261	53	All	HEFPA Liaison	High
16	III	C	261	55	All	Warning Tag Inspection	High
16	III	C	261	57	All	Warning Tag - Class A condition	High
16	III	C	261	59	All	Warning Tag - Class B condition	High
16	III	C	261	61	All	Warning Tag - Class C Condition	Other
16	III	C	261	63	All	Warning Tag - Action and Follow-Up	Other
16	III	C	261	65	All	Warning Tag Records	Other
49	I	D	193	2011	All	Reporting	Other
49	I	D	193	2017	All	Plans and Procedures	High
49	I	D	193	2019	All	Mobile and Temporary LNG Facilities	High
49	I	D	193	2057	All	Thermal Radiation Protection	High
49	I	D	193	2059	All	Flammable Vapor-Gas Dispersion Protection	High
49	I	D	193	2067	All	Wind Forces	High
49	I	D	193	2101	All	Design - Scope	High
49	I	D	193	2119	All	Design - Records	High
49	I	D	193	2155	All	Structural Requirements	High
49	I	D	193	2161	All	Design - Dikes	High
49	I	D	193	2167	All	Covered Systems	High
49	I	D	193	2173	All	Water Removal	High
49	I	D	193	2181	All	Impoundment Design and Capacity	High
49	I	D	193	2187	All	Nonmetallic Membrane Liner	High
49	I	D	193	2301	All	Construction - Scope	High
49	I	D	193	2303	All	Construction Acceptance	High

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
49	I	D	193	2304	All	Corrosion Control Overview	High
49	I	D	193	2321	All	Nondestructive Tests	High
49	I	D	193	2401	All	Equipment - Scope	High
49	I	D	193	2441	All	Equipment - Control Center	High
49	I	D	193	2445	All	Sources of Power	High
49	I	D	193	2501	All	Operations - Scope	High
49	I	D	193	2503	All	Operating Procedures	High
49	I	D	193	2505	All	Operations - Cooldown	High
49	I	D	193	2507	All	Monitoring Operations	High
49	I	D	193	2509	All	Emergency Procedures	High
49	I	D	193	2511	All	Personnel Safety	High
49	I	D	193	2513	All	Transfer Procedures	High
49	I	D	193	2515	All	Investigations of Failures	High
49	I	D	193	2517	All	Purging	High
49	I	D	193	2519	All	Communication Systems	High
49	I	D	193	2521	All	Operating Records	Other
49	I	D	193	2603	All	Maintenance - General	High
49	I	D	193	2605	All	Maintenance Procedures	High
49	I	D	193	2607	All	Foreign Material	Other
49	I	D	193	2609	All	Support Systems	High
49	I	D	193	2611	All	Fire Protection	High
49	I	D	193	2613	All	Auxiliary Power Sources	High
49	I	D	193	2615	All	Isolating and Purging	High
49	I	D	193	2617	All	Maintenance - Repairs	High
49	I	D	193	2619	All	Control Systems	High
49	I	D	193	2621	All	Testing Transfer Hoses	High
49	I	D	193	2623	All	Inspecting LNG Storage Tanks	High
49	I	D	193	2625	All	Corrosion Protection	High
49	I	D	193	2627	All	Atmospheric Corrosion Control	Other
49	I	D	193	2629	All	External Corrosion Control - Buried or Submerged Components	Other
49	I	D	193	2631	All	Internal Corrosion Control	Other
49	I	D	193	2633	All	Interference Currents	Other
49	I	D	193	2635	All	Monitoring Corrosion Control	High
49	I	D	193	2637	All	Remedial Measures	High
49	I	D	193	2639	All	Maintenance Records	Other
49	I	D	193	2703	All	Design and Fabrication	Other
49	I	D	193	2705	All	Construction, Installation, Inspection, and Testing	High
49	I	D	193	2707	All	Operations and Maintenance	High
49	I	D	193	2709	All	Security	High
49	I	D	193	2711	All	Personnel Health	Other
49	I	D	193	2713	All	Training - Operations and Maintenance	High
49	I	D	193	2715	All	Training - Security	High
49	I	D	193	2717	All	Training - Fire Protection	High
49	I	D	193	2719	All	Training - Records	Other
49	I	D	193	2801	All	Fire Protection	High
49	I	D	193	2903	All	Security Procedures	High
49	I	D	193	2905	All	Protective Enclosures	High
49	I	D	193	2907	All	Protective Enclosure Construction	High

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Title	Chapter	Sub-chapter	Part	Section	Sub-division	Description	Risk
49	I	D	193	2909	All	Security Communications	High
49	I	D	193	2911	All	Security Lighting	High
49	I	D	193	2913	All	Security Monitoring	High
49	I	D	193	2915	All	Alternative Power Sources	High
49	I	D	193	2917	All	Warning Signs	Other

Cases 22-G-0065 - Con Edison - Pipeline Safety Measures

Pipeline Safety Measures	Criteria	Unit	NRA (BPs)	PRA (BPs)	CY 2023 Target	NRA (BPs)	PRA (BPs)	CY 2024 Target	NRA (BPs)	PRA (BPs)	CY 2025 Target	NRA (BPs)	PRA (BPs)	Beyond 2025 Target
Leak Backlog/Management	Total: Type 1, 2A, 2, and 3	Leaks	15	-	≥ 195	15	-	≥ 180	15	-	≥ 165	15	-	≥ 165
	Total: Type 1, 2A, 2, and 3	Leaks	10	-	≥ 185 to 194	10	-	≥ 170 to 179	10	-	≥ 155 to 164	10	-	≥ 155 to 164
	Total: Type 1, 2A, 2, and 3	Leaks	5	-	≥ 175 to 184	5	-	≥ 160 to 169	5	-	≥ 145 to 154	5	-	≥ 145 to 154
	Total: Type 1, 2A, 2, and 3	Leaks	-	2	≥ 26 to 75	-	2	≥ 16 to 50	-	2	≥ 11 to 25	-	2	≥ 11 to 25
	Total: Type 1, 2A, 2, and 3	Leaks	-	4	≥ 16 to 25	-	4	≥ 11 to 15	-	4	≥ 3 to 10	-	4	≥ 3 to 10
	Total: Type 1, 2A, 2, and 3	Leaks	-	6	≤ 15	-	6	≤ 10	-	6	< 2	-	6	< 2
	(1) Will be recognized as having met the leak backlog targets if they are achieved between December 21 and December 31.													
	(2) Leaks that fail recheck inspection must be added back into the backlog.													
	(3) In order to earn PRAs, 85% of leaks repaired within 50 days, annual report on leaks not repaired within 1 year.													
	(4) Successful elimination means a leak repaired that does not require recheck and a leak requiring recheck that completes the inspection.													
Leak Prone Pipe (LPP)	Removal Target	Miles	15	-	<76	15	-	<76	15	-	<240	15	-	<80
	(5) Target at least 12 miles of flood prone pipe removal/replacement over the three-year agreement, of which at least 6 miles will be in New York City and 6 miles in Westchester County.													
	(6) Cumulative three-year target of 240 miles.													
Emergency Response	Respond within 30 minutes	%	12	-	75	12	-	75	12	-	75	12	-	75
	Respond within 45 minutes	%	8	-	90	8	-	90	8	-	90	8	-	90
	Respond within 60 minutes	%	5	-	95	5	-	95	5	-	95	5	-	95
	Respond within 30 minutes	%	-	2	96 to 96.99	-	2	96.5 to 97.49	-	2	97 to 97.99	-	2	97 to 97.99
	Respond within 30 minutes	%	-	4	97 to 98.99	-	4	97.5 to 99.49	-	4	98 to 99.49	-	4	98 to 99.49
	Respond within 30 minutes	%	-	6	≥ 99	-	6	≥ 99.5	-	6	≥ 99.5	-	6	≥ 99.5
	(7) Instances of 20 or more emergency reports within a 2-hour period resulting from mass area odor complaints, major weather-related events, or major equipment failure, that is not caused by Con Edison may be excluded provided an informational filing is made in Case 22-G-0065. All emergency reports from an event shall be included in the exclusion filing.													
	(8) The information filing shall: (1) be filed within 2 weeks, or 10 working days from the conclusion of such an event; (2) detail how and why the event met the exclusion criteria; (3) detail the number of emergency reports to be excluded; (4) detail Con Edison's response time for each report; and (5) detail any classified leaks, their identification numbers, and their dispositions.													
Violations or Non-Compliances	Record Audits: High Risk	Per	1	-	> 20	1	-	> 20	1	-	> 20	1	-	> 20
	Record Audits: High Risk	Per	1/2	-	16 to 20	1/2	-	11 to 20	1/2	-	6 to 20	1/2	-	6 to 20
	Record Audits: Other Risk	Per	1/4	-	> 25	1/4	-	> 20	1/4	-	> 15	1/4	-	> 15
	Field Audits: High Risk	Per	1	-	> 20	1	-	> 20	1	-	> 20	1	-	> 20
	Field Audits: High Risk	Per	1/2	-	1 to 20	1/2	-	1 to 20	1/2	-	1 to 20	1/2	-	1 to 20
	Field Audits: Other Risk	Per	1/4	-	>0	1/4	-	>0	1/4	-	>0	1/4	-	>0
	(9) See Compliance Measure Procedure.													
	(10) Negative revenue adjustment exposure capped at 75 basis point per calendar year.													
Damage Prevention (per 1,000 one-call tickets)	Total: No Calls, Excavator Error, Company and Company Contractor Error, and Mismarks	Rate	20	-	>2.50	20	-	>2.50	20	-	>2.50	20	-	>2.50
		Rate	10	-	2.26 – 2.50	10	-	2.26 – 2.50	10	-	2.26 – 2.50	10	-	2.26 – 2.50
		Rate	5	-	2.01 – 2.25	5	-	2.01 – 2.25	5	-	2.01 – 2.25	5	-	2.01 – 2.25
		Rate	-	-	1.41 - 2.00	-	-	1.31 - 2.00	-	-	1.21 - 2.00	-	-	1.21 - 2.00
		Rate	-	5	1.21 - 1.40	-	5	1.11 - 1.30	-	5	1.01 - 1.20	-	5	1.01 - 1.20
		Rate	-	10	≤1.20	-	10	≤1.10	-	10	≤1.00	-	10	≤1.00
	(11) To include refresh notification in Westchester County.													
	(12) Damages will be tracked, measured and counted following the guidelines for the data reported for the annual performance measures report.													
Total Exposure			150	22		150	22		150	22		150	22	

Appendix 20
AMI Metrics

Appendix 20 - Advanced Metering Infrastructure (AMI) Scorecard / Metrics					
Category	**Service/Function**	**Metric**	**Description**	**Target**	**Update Frequency**
Customer Engagement	Energy Savings Messages / Tools	Customers using the AMI Portal	Percentage of customers in each region with AMI meters that log on to usage/analytics page (available via web, mobile web, tablet or apps) at least once during the reporting period, broken down by service class and low income / non-low income. Baseline established based on data from at least the first 6 months of deployment in each region. Improvement measured against regional baselines each reporting period. Additional reporting (no targets established): Percentage of customers that logged on more than once during each reporting period.	Company will report this information for tracking purposes only.	Semi annual
		Near-Real Time Data	Number of customers with an AMI meter that have access to near real-time data via the web, mobile web, tablet or apps.	99% of meters deployed will be presented with near real-time data.	Semi annual
	Green Button Connect My Data	Green Button Connect My Data	Number of customers who share their data via GBC in the reporting period plus number of customers that continue to share based on elections made in a prior period.	Company will report this information for tracking purposes only.	Semi annual
	TOU (Time of Use) and TVP (Time Variable Pricing) tariffs	Customer Adoption of Time-Variant Rates	Number of customers with AMI meters that adopt a TOU or TVP tariff, expressed as a number and percentage of each by rate (e.g., Electric SC1 Rate III, Electric SC2 Rate II, pilot rates, etc.).	Company will report this information for tracking purposes only.	Semi annual
Outage Management	Power Quality	Proactive power quality issue identification	Reduction in truck rolls due to power quality complaints.	500 per year after full deployment of AMI in 2022.	Annual

Appendix 20
AMI Metrics

Category	Service/Function	Metric	Description	Target	Update Frequency
System Operation and Environmental Benefits	Conservation Voltage Optimization (CVO)- KWh savings	Quantify kWh savings attributed to CVO	Quantify kWh savings attributed to CVO.	NA	Annual
	Conservation Voltage Optimization (CVO)- Environmental benefits	Environmental benefits due to CVO	Provide total fuel consumption savings and corresponding emissions reductions.	NA	Annual
AMI Meter Deployment	Number of AMI meters installed	Number of AMI meters installed	Provide the number and percentage of AMI meters installed and working by borough and in Westchester County. Information will be provided on a quarterly basis.	NA	Semi annual

Consolidated Edison Company of New York, Inc.
Cases 22-E-0064, 22-G-0065
<u>Customer Service Performance Mechanism</u>

The Customer Service Performance Mechanism ("CSPM") described herein will be in effect for the term of the Rate Plan and thereafter unless and until changed by the Commission.

a. Operation of Mechanism

The CSPM establishes threshold performance levels for designated aspects of customer service. The threshold performance levels are detailed on pages 6-7 of this Appendix. Failure by the Company to achieve the specified targets will result in a revenue adjustment of up to 18 basis points in Rate Year 1, 27 basis points in Rate Year 2, and 35 basis points in Rate Year 3. All revenue adjustments related to the CSPM will be deferred for the benefit of customers.

b. Exclusions

Abnormal operating conditions are deemed to occur during any period of emergency, catastrophe, strike, natural disaster, major storm, abnormally high energy commodity supply costs, abnormal economic conditions, or other unusual event not in the Company's control affecting more than 10 percent of the customers in an operating area during any month. A major storm will have the same definition as set forth in 16 NYCRR Part 97.

i) In the event abnormal operating conditions in one (1), two (2) or three (3) of the Company's six operating areas affect the Company's ability to perform any activity that is part of this CSPM, the data for the operating area(s) experiencing the abnormal operating conditions will be omitted from the calculation and the Company's results for any activity that is part of the CSPM that is affected by such abnormal operating conditions will be measured only by the data from the other operating area(s) for the period of the abnormal operating conditions.

ii) If abnormal operating conditions occur in more than three operating areas so that monthly results cannot be measured for a given activity, the month will be eliminated in the calculation of the actual annual average performance for that activity.

iii) In the event that abnormal operating conditions affecting the Company's ability to perform a given activity occur in more than three operating areas for an entire Rate Year, the activity will be inapplicable in that Rate Year and the associated revenue adjustment amount for that activity will also be inapplicable in that Rate Year.

iv) If changes in Company operations render it impractical to continue to measure performance in any activity, the measurement method and/or threshold standard will be revised or an alternative method or activity selected for the remainder of the period during which this CSPM is operative. Any such modifications must be mutually agreed to by Staff and the Company in writing. In the event Staff and the Company cannot agree to a modification, the revenue adjustment amount associated with the activity that can no longer be measured will be reallocated among the other activities for the remainder of the period during which this CSPM is operative.

c. Reporting

The Company will prepare an annual report on its performance that will be filed with the Secretary by March 1 following each Rate Year. Each report will state: (i) any changes anticipated to be implemented in the following measurement period in any activity reflected in this Proposal; (ii) a summary of the effect of any of the exclusions described herein and/or any significant changes in operations which led to the reported performance level during the measurement period; and (iii) whether a revenue adjustment is applicable, and if so, the amount of the revenue adjustment. The Company will maintain sufficient records to support such reports.

d. Threshold Standards

The Company's threshold performance will be measured based on the Company's cumulative monthly performance for each Rate Year for the following four activities, except as otherwise noted.

i) Commission Complaints

Con Edison's Commission Complaint performance will be the 12-month complaint rate per 100,000 customers as reported by the Office of Consumer Services each year for the 12-month period ending in December, based on the number of complaints received. The net number of customers used to determine the complaint rate will include only metered account customers (i.e., will not include sub-metered or master-metered consumers). A complaint is a contact by a customer, applicant, or customer's or applicant's agent that follows a contact with the Company about the issue of concern as to which the Company, having been given a reasonable opportunity to address the matter, has not satisfied the customer. The issue of concern must be one within the Company's responsibility and control, including an action, practice or conduct of the Company or its employees, not matters within the responsibility or control of an alternative service provider. Complaints resulting from the price of electric and/or gas energy and/or capacity or the operation of the Company's MSC and/or GCF, and that do not otherwise present just cause for charging a complaint against the Company, will not be counted as complaints for the purposes of the CSPM. One or more contacts by a rate consultant raising the same issue as to more than one account, whether such contacts are made at the same time or different times, will not be counted as more than one complaint if the issue is under consideration by the Department or the Commission and no Company deficiency is found. Contacts by customers about the Shared Meter Law will not be complaints if the contact is about the requirements of the Shared Meter Law and no Company deficiency is found. The annual report filed by the Company shall provide an accounting, without identifying specific customer information (e.g., by listing complaints by reference number, without providing customer names), of any complaints that the Company believes should not be counted due to the provisions of this paragraph, and state the resulting adjusted Commission Complaint rate.

ii) Call Answer Rate

"Call Answer Rate" is the percentage of calls answered by a Company representative within thirty (30) seconds of the customer's request to speak to a representative between the hours of 9:00 AM and 5:00 PM Monday through Friday (excluding holidays). The performance rate is the sum of the system-wide number of calls answered by a representative within thirty (30) seconds divided by the sum of the system-wide number of calls answered by representatives.

iii) Customer Satisfaction with Emergency and Non-Emergency Interactions

To measure customer satisfaction, the Company adopts the statewide customer satisfaction survey implemented on a pilot basis in the October 18, 2018 Order in Case 15-M-0566. For each rate year, the Company will combine gas and electric emergency interactions into one Emergency Interactions survey. All other non-emergency interactions, including service center visitor responses, will be combined into one Non-Emergency Interactions survey. The Company is subject to negative revenue adjustments if the average survey results for each category are below the thresholds presented in the table below. The Company shall notify Staff at least six (6) months prior to making any material change to its survey questionnaire or survey methodologies.

iv) Outage Notification

The specific activities for communicating with customers, the public, and other external interests during defined electric service outage events remain as described by the Commission in Case 00-M-0095. For each activity noted in that Order, performance that fails to meet the applicable threshold performance standard will result in a revenue adjustment at twice the level set forth in that Order (e.g., for each failure to complete a communication activity within the required time, the negative adjustment would be increased from $150,000 to $300,000). The overall amount at risk for Outage Notification ($8 million, established in Case 07-E-0523) shall remain unchanged.

Customer Service Performance Mechanism
Incentive Targets

Indicator	Threshold Level	Revenue Adjustment (combined electric and gas basis point value)[1]
Commission Complaints	**Rate Year 1:**	
	</=2.0	None
	>2.0 - </=2.2	2 basis points
	>2.2 - </=2.4	4 basis points
	>2.4	6 basis points
	Rate Year 2:	
	</=2.0	None
	>2.0 - </=2.2	3 basis points
	>2.2 - </=2.4	6 basis points
	>2.4	9 basis points
	Rate Year 3:	
	</=2.0	None
	>2.0 - </=2.2	4 basis points
	>2.2 - </=2.4	7 basis points
	>2.4	10 basis points
Emergency Interactions Survey	**Rate Year 1:**	
	>/=3.57	None
	<3.57 - >/=3.49	1 basis point
	<3.49 - >/=3.41	2 basis points
	<3.41	3 basis points
	Rate Year 2:	
	>/=3.57	None
	<3.57 - >/=3.49	1.5 basis points
	<3.49 - >/=3.41	3 basis points
	<3.41	4.5 basis points
	Rate Year 3:	
	>/=3.57	None
	<3.57 - >/=3.49	2.5 basis points
	<3.49 - >/=3.41	5 basis points
	<3.41	7.5 basis points
Non-Emergency Interactions Survey	**Rate Year 1:**	
	>/=3.75	None
	<3.75 - >/=3.60	1 basis point
	<3.60 - >/=3.45	2 basis points
	<3.45	3 basis points
	Rate Year 2:	
	>/=3.80	None
	<3.80 - >/=3.65	1.5 basis points
	<3.65 - >/=3.50	3 basis points
	<3.50	4.5 basis points
	Rate Year 3:	
	>/=3.85	None
	<3.85 - >/=3.75	2.5 basis points
	<3.75 - >/=3.65	5 basis points
	<3.65	7.5 basis points

[1] For purposes of the customer service performance mechanisms, 1 combined basis point will equal the value of 1 basis point return on common equity for electric plus the value of 1 basis point return on common equity for gas. This combined amount would then be allocated using the common allocator of 84% electric and 16% gas.

Call Answer Rate	**Rate Year 1:** >/=66.0% <66.0% - >/=63.2% <63.2% - >/=60.4% <60.4% **Rate Year 2:** >/=67.0% <67.0% - >/=64.2% <64.2% - >/=61.4% <61.4% **Rate Year 3:** >/=67.5% <67.5% - >/=65.0% <65.0% - >/=62.5% <62.5%	 None 2 basis points 4 basis points 6 basis points None 3 basis points 6 basis points 9 basis points None 4 basis points 7 basis points 10 basis points
Outage Notification	$300,000 per communication activity, up to a limit of $8 million	

APPENDIX 22: EARNINGS ADJUSTMENT MECHANISMS

Beginning January 1, 2023, the Company will have seven Earnings Adjustment Mechanisms ("EAMs") during the Rate Plan. Achievement of EAMs will be measured on a calendar year basis for RY1, RY2, and RY3.

1.0 Basis Points

1.1.1 Summary

The following is a summary of the commodities and basis points associated with each EAM; details regarding the EAMs, including metrics, associated achievement, and basis points are more fully described further below. EAM incentives are provided in absolute dollars in section J.8 of the Proposal. In addition to the EAMs described herein, the Company will have the opportunity to earn EAM incentives related to the Electric Vehicles Make Ready Program during Rate Year 3.[1]

EAM	Commodity	Level	RY1 (2023)	RY2 (2024)	RY3 (2025)
Smart Building Electrification	Electric	Min	2.5	2.5	2.5
		Mid	3.5	3.5	3.5
		Max	6	6	6
Smart Building Electrification	Gas	Min	2.5	2.5	2.5
		Mid	3.5	3.5	3.5
		Max	6	6	6
Demand Response	Electric	Min	2	2	2
		Mid	4	4	4
		Max	7	7	7
Light-Duty Vehicle Emissions	Electric	Min	2	2	2
		Mid	4.5	4.5	4.5
		Max	7	7	7
Transportation Interconnection Timeline	Electric	Min	2	2	2
		Mid	3	3	3
		Max	6	6	6
Managed Charging[2]	Electric	Min	TBD		
		Mid			
		Max			
DER Utilization Solar	Electric	Min	1	1	1
		Mid	3	3	3
		Max	7	7	7
DER Utilization Storage	Electric	Min	1	1	1
		Mid	3	3	3
		Max	7	7	7

[1] The Commission has reserved up to 15 basis points of maximum EAM award in total related to two Make Ready Program Share the Savings EAM metrics, as directed in the Commission's Make Ready Order in Case 18-E-0138.

[2] Up to a maximum of 10 basis points per year reserved, with minimum and midpoint basis point totals to be determined through collaborative process described herein.

1.1.2 Value of a Basis Point

The table below provides a summary of the value of a basis point for each Rate Year for electric and gas. These values will be used to calculate EAM earnings over the term of the Joint Proposal.

Value of an EAM basis point	RY1 (2023)	RY2 (2024)	RY3 (2025)
Electric ($ million) [RY_x $ BP Electric]	$1.753	$1.876	$1.973
Gas ($ million) [RY_x $ BP Gas]	$0.645	$0.697	$0.740

1.1.3 Earned EAM

The Company will receive a financial reward if the Company meets the minimum target for a given Rate Year, and will receive increasing financial rewards up to the maximum achievement for the Rate Year. The EAM financial reward earned at min, mid, and max levels of achievement are set in section J.8 of the Proposal. For all other EAM achievement levels, the Company will calculate the dollar incentive earned in a given Rate Year for each EAM as follows:

a) If RY_x Achievement is less than RY_x $Target_{Min}$, then the Company will not receive an EAM.

Where,

x	1, 2, or 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively.
RY_x Achievement	EAM achievement in Rate Year x, calculated as outlined under “Achievement” for each EAM
RY_x $Target_{Min}$	Minimum target for EAM in Rate Year x

b) If RY_X Achievement is between the $RY_x Target_{Min}$ and $RY_x Target_{Mid}$, then

The Smart Building Electrification EAM will be calculated as follows:

$$RY_x\ EAM\ (\$) = [RY_x\ BP_{Min} + RY_x\ BP\ Slope_{Min\text{-}Mid} * (RY_x\ Achievement - RY_x\ Target_{Min})] * (RY_x\ \$\ BP_{Electric} + RY_x\ \$\ BP_{Gas})$$

Where,

RY_x EAM ($)	Company incentive in dollars for EAM achievement in Rate Year x

$RY_x\ Target_{Mid}$ — Midpoint target for EAM in Rate Year x

$RY_x\ BP\ Slope_{Min\text{-}Mid}$ — $\frac{RY_x BP_{Mid} - RY_x\ BP_{Min}}{RY_x Target_{Mid} - RY_x\ Target_{Min}}$

$RY_x\ BP_{Min}$ — Minimum basis points allocated to EAM in Rate Year x (see section 1.1.1)

$RY_x\ BP_{Mid}$ — Midpoint basis points allocated to EAM in Rate Year x (see section 1.1.1)

$RY_X\ \$\ BP_{Electric}$ — \$ per basis point in Rate Year x for Electric (see section 1.1.2)

$RY_X\ \$\ BP_{Gas}$ — \$ per basis point in Rate Year x for Gas (see section 1.1.2)

The Demand Response, Light-Duty Vehicle Emissions, Transportation Interconnection Timeline, Managed Charging, DER Utilization Solar and DER Utilization Storage EAMs will be calculated as follows:

$$RY_x\ EAM\ (\$) = [RY_x\ BP_{Min} + RY_x\ BP\ Slope_{Min\text{-}Mid} * (RY_x\ Achievement - RY_x\ Target_{Min})] * RY_x\ \$\ BP_{Electric}$$

c) If RY_x Achievement is between the $RY_x\ Target_{Mid}$ and $RY_x\ Target_{Max}$, then

The Smart Building Electrification EAM will be calculated as follows:

$$RY_x\ EAM\ (\$) = [RY_x\ BP_{Mid} + RY_x\ BP\ Slope_{Mid\text{-}Max} * (RY_x\ Achievement - RY_x\ Target_{Mid})] * (RY_x\ \$\ BP_{Electric} + RY_x\ \$\ BP_{Gas})$$

Where,

$RY_x\ BP\ Slope_{Mid\text{-}Max}$ — $\frac{RY_x BP_{Max} - RY_x BP_{Mid}}{RY_x Target_{Max} - RY_x\ Target_{Mid}}$

$RY_x\ BP_{Max}$ — Maximum basis points allocated to EAM in Rate Year x (see section 1.1.1)

The Demand Response, Light-Duty Vehicle Emissions, Transportation Interconnection Timeline, Managed Charging, DER Utilization Solar and DER Utilization Storage EAMs will be calculated as follows:

$$RY_x\ EAM\ (\$) = [RY_x\ BP_{Mid} + RY_x\ BP\ Slope_{Mid\text{-}Max} * (RY_x\ Achievement - RY_x\ Target_{Mid})] * RY_x\ \$\ BP_{Electric}$$

d) If RY_x Achievement is greater than or equal to the $RY_x\ Target_{Max}$, then the Company will earn the EAM maximum financial reward set forth in section J.8 of the Proposal.

2.0 EAMs

2.1 Smart Building Electrification EAM

2.1.1 Description

The Smart Building Electrification ("SBE") EAM drives the acquisition of a higher proportion of energy savings from energy efficiency ("EE") and heating electrification measures that support a more cost-effective transition to building electrification.

The measure categories included in the scope of the EAM reduce operating costs for customers and minimize grid impacts from electrified heating load. The Smart Building Electrification measure categories included in this EAM are described in the table below.

Table 1. SBE Measure Categories

Measure Categories	Description
Building Envelope	Upgrades to the building's thermal envelope. Includes retrofit projects in commercial, multifamily, small business, and residential buildings. Excludes new construction projects (except when paired with Ground Source Heat Pumps) and excludes pipe insulation measures.
Ground Source Heat Pumps	Ground source heat pumps ("GSHPs") installed in commercial, multifamily, small business, and residential buildings.[3]
Waste Heat Recovery	Heat recovery from air and wastewater that is used for space and water heating. Excludes heat recovery within industrial processes and thermal energy network pilots.[4]
Advanced Controls	Controls that provide automatic and optimized start, stop, and adjustment of building electric heating equipment, using sensors, control logic, or algorithms, as well as two-way communication between the control system and the building equipment.

[3] Includes single-family residential projects that may have a combination of ground-source and air-source heat pumps, such as those used to heat and cool previously unconditioned spaces (*e.g.,* attics or basements), at the same property.
[4] This refers to pilots conducted as part of the Utility Thermal Energy Networks proceeding. *See* Case 22-M-0429, *Proceeding to Implement the Utility Thermal Energy Network and Jobs Act.* If the Commission requires the Company to use Clean Heat program funding for equipment used in the utility thermal energy networks pilots, the Company will count the energy savings associated with the Clean Heat funded equipment toward its achievement of this EAM.

2.1.2 Metric

The SBE metric is lifetime[5] energy savings measured in British Thermal Units ("Lifetime Million Btu" or "LMMBtu"), acquired through the Company's EE and heating electrification programs, and which come specifically from the measure categories included in Table 1. The metric includes lifetime energy savings from both low- and moderate-income ("LMI") and non-LMI projects.

The acquired lifetime energy savings for the SBE EAM in each Rate Year ("RY_X SBE Acquired LMMBtu") will be calculated as follows:

$$\mathrm{RY_x\ SBE\ Acquired\ LMMBtu} = \left[\sum \mathrm{RY_x\ SBE\ Acquired\ AMMBtu}\right] * \mathrm{RY_x\ SBE\ Portfolio\ EUL}$$

Where,

X	1, 2, and 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively.
RY_x SBE Acquired AMMBtu	Annual energy savings for LMI and non-LMI electric and gas EE, and the Clean Heat program, acquired from SBE measures in Rate Year x. The energy savings are determined by the applicable Technical Resource Manual ("TRM") at the time the energy savings are acquired. The metric is expressed in First Year Savings (*i.e.*, Annual Million Btu or "AMMBtu"[6]).
RY_x SBE Portfolio EUL	The weighted average portfolio Effective Useful Life ("EUL"), weighted on a savings-by-measure-basis, as determined by the applicable TRM at the time the energy savings are acquired in Rate Year x calculated as: $$\frac{\sum(\mathrm{RY_x\ SBE\ Measure\ EUL} * \mathrm{RY_x\ SBE\ Measure\ Acquired\ AMMBtu})}{\sum \mathrm{RY_x\ SBE\ Acquired\ AMMBtu}}$$
RY_x SBE Measure EUL	The individual SBE measure EUL as determined by the applicable TRM[7] at the time the SBE measure savings are acquired in Rate Year x.
RY_x SBE Measure Acquired AMMBtu	The acquired annual verified gross savings for LMI and non-LMI electric and gas EE, and acquired annual gross energy savings for the Clean Heat program, in AMMBtu, of the individual SBE measure in Rate Year x.

[5] Savings over the full lifetime of an installed measure.
[6] NENY targets are First Year Savings, which is energy saved during the first full year post installation of the EE or electrification measure.
[7] In cases where the TRM does not include an applicable EUL it is established based on other state TRMs, industry standards (such as ASHRAE), or engineering judgement.

2.1.3 Measurement

The acquired lifetime energy savings for the SBE EAM in each Rate Year ("RY_x Acquired SBE LMMBtu") and the associated variables ("RY_x SBE Acquired AMMBtu", "RY_x SBE Portfolio EUL") will be reported in the Company's annual EAM Report, along with supporting work papers.

Lifetime energy savings acquired through the Company's LMI and non-LMI electric and gas EE programs, except the Clean Heat program, must be evaluated (*i.e.,* must be verified gross savings) to count toward the SBE EAM achievement. Table 2 below outlines the Company's planned evaluation schedule for current EE programs that contain in scope measures for the SBE EAM. The schedule below will be updated quarterly, as needed, through filings in the NENY Proceeding.[8]

Table 2. Planned Evaluation Schedule, as of January 2023

Program	Estimated Evaluation Completion Date
Multifamily Gas	Q1 2023
Commercial & Industrial	Q2 2023
Multifamily (Non-Lighting Electric)	Q3 2023
Residential Weatherization	Q4 2024
Statewide LMI Multifamily (AMEEP)	TBD

2.1.4 Targets

Table 3 below outlines the targets for the SBE EAM ("RY_x SBE Target") for each Rate Year. The targets are expressed in LMMBtu and are shown for the minimum, midpoint, and maximum level of achievement.

Table 3. SBE EAM Targets, in LMMBtu

Level	RY_1 (2023)	RY_2 (2024)	RY_3 (2025)
Min	5,161,874	7,508,181	9,385,226
Mid	9,854,487	10,793,010	11,731,532
Max	16,424,145	16,424,145	16,424,145

[8] Case 18-M-0084, *In the Matter of a Comprehensive Energy Efficiency Initiative* ("NENY Proceeding"), Order Authorizing Utility Energy Efficiency and Building Electrification Portfolios Through 2025 (issued January 16, 2020).

2.1.5 Achievement

EAM achievement will be based on lifetime energy savings acquired from the SBE measure categories in each Rate Year ("RY_X SBE Acquired LMMBtu"), as defined in section 2.1.2 above.

Additionally, the Company must demonstrate it is on pace to achieve its cumulative 2020-2025 NENY first year annual energy savings target in each Rate Year to earn any SBE EAM reward in that Rate Year. See "Additional Condition to Earn" section below for more details.

The Company will report achievement using the following steps:

- Step 1: SBE EAM achievement in a given Rate Year ("RY_x SBE Acquired LMMBtu"), will be calculated as described in section 2.1.2 above.
- Step 2: The Company will calculate the earned financial reward in a given Rate Year, if any, using the approach set forth in section 1.1.3.

The Company is limited to two filings for each Rate Year of achievement for this EAM, unless otherwise directed by Department of Public Service Staff ("DPS Staff").

Additional Condition to Earn

To be eligible to earn the SBE EAM in RY_x, the Company's cumulative acquired first-year verified gross energy savings for LMI and non-LMI electric and gas EE, and first-year gross energy savings for the Clean Heat program, between 2020 and through the end of RY_x must be greater than the Cumulative First-Year NENY Energy Savings Target for the same period (per Table 5 below).

Table 4 below summarizes the Company's First-Year NENY Energy Savings Targets (for each portfolio and in total), expressed in AMMBtu, as well as the Cumulative First-Year NENY Energy Savings Targets. Any changes to the Company's NENY energy savings targets in the NENY Interim Review[9] will replace the targets in Table 4.

[9] Case 14-M-0094 et al., *Proceeding on Motion of the Commission to Consider a Clean Energy Fund*, Order Initiating the New Efficiency: New York Interim Review and Clean Energy Fund Review (issued September 15, 2022).

Table 4. First-Year NENY Energy Savings Targets (AMMBtu)

Year	First-Year NENY Energy Savings Target	Cumulative First-Year NENY Energy Savings Target for RY_1-RY_3 (*<u>EAM Additional Condition to Earn</u>*)
2020	2,167,272	
2021	2,970,491	
2022	4,396,635	
2023 (RY_1)	4,077,211	13,611,609
2024 (RY_2)	3,941,817	17,553,426
2025 (RY_3)	3,994,812	21,548,238
Total	**21,548,238**	

2.1.6 Adjustments to Metric/Targets due to the NENY Interim Review

If the NENY Interim Review process and/or a generic EAM proceeding results in the Commission eliminating the SBE EAM, or in the implementation of a replacement EE and/or heating electrification EAM metric(s), or modifications to this specific EAM metric design or its associated targets, such changes shall supersede the metric, design and targets provided for in this Joint Proposal.

2.2 <u>Demand Response EAM</u>

2.2.1 Description

The Demand Response ("DR") EAM encourages the Company to achieve greater growth in Demand Response programs by increasing the total megawatts ("MW") of demand reduction participating in the programs. This EAM promotes grid flexibility by developing a larger and more reliable demand response resource that can be called on to reduce peak demand and during system contingencies. The metric will measure the growth of demand response programs on a MW basis, including the Company's DR programs such as the Commercial System Relief Program ("CSRP"), Distribution Load Relief Program ("DLRP"), the Term-and Auto-Dynamic Load Management ("DLM") programs, the Direct Load Control ("DLC") program and the NYISO Special Case Resource ("SCR") program.[10]

2.2.2 Metric

The DR EAM is the total incremental MW of demand reduction from the Company's demand response programs and NYISO's SCR program in any given Rate Year compared to the prior Rate Year calculated as:

[10] To the extent that new Company DR programs are launched during the rate period or modifications are made to existing programs, MWs participating in these programs will also count towards metric achievement.

$$\mathrm{RY_x\ Incremental\ MW\ Reduction} = \mathrm{RY_x\ MW\ Reduction} - \mathrm{RY_{x-1} MW\ Reduction}$$

Where,

X	1, 2 and 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively.
RY_x Incremental MW Reduction	The total incremental MW load reduction in Rate Year x.
RY_x MW Reduction	The total MW load reduction in Rate Year x from the Company's DR programs, as calculated using the methodology that the Company has employed when reporting 2017 – 2022 DR program data in its Annual Report plus the total MW load reduction in Rate Year x from NYISO's SCR program, using the lesser of the Installed Capacity ("ICAP") Equivalent Average Hourly Response MW and Obligated ICAP MW, Zone J, average coincident load ("ACL") baseline data published in NYISO's Annual Report on Demand Response Programs.
RY_{x-1} MW Reduction	The total MW load reduction in the year prior to Rate Year x from the Company's DR programs, as calculated using the methodology that the Company has employed when reporting 2017- 2022 DR program data in its Annual Report plus the total MW load reduction in the year prior to Rate Year x from NYISO's SCR program, using the lesser of the ICAP Equivalent Average Hourly Response MW and Obligated ICAP MW, Zone J, ACL baseline data published in NYISO's Annual Report on Demand Response Programs.

2.2.3 Measurement

The Company will use data calculated using the methodology that the Company has employed when reporting 2017 – 2022 DR program data in the Company's Annual Demand Response Program report to measure incremental MW from Company DR programs. The Company will use data published in NYISO's Annual Report on Demand Response Programs to measure incremental MW from NYISO's SCR program in Zone J.

2.2.4 Targets

Targets for each Rate Year are determined based on exceeding the historic program growth rate ("Annual DR Growth Rate") using the years 2017, 2018, 2019 and 2022, and are updated each Rate Year based on the prior year's actual performance. Targets will be set at multiples of 1.4, 1.8, and 2.2 above the baseline for the minimum, midpoint, and maximum targets, respectively. The following table outlines the Demand Response EAM targets for RY 1, 2 and 3 respectively, expressed in annual incremental MW above the baseline.

	Level	RY_1 (2023)	RY_2 (2024)	RY_3 (2025)
DR (Incremental MW)	Baseline	63	Determined formulaically based on prior years actual performance	
	Min	88		
	Mid	113		
	Max	138		

Where,

x	1, 2 and 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively.
RY_x Baseline	The incremental MW load reduction baseline in Rate Year x calculated as follows: $\mathrm{RY}_{x-1}\mathrm{MW\ Reduction} \times (1 + \mathrm{Annual\ DR\ Growth\ Rate})$
Annual DR Growth Rate	The adjusted growth rate from 2017 to 2022, using 2017, 2018, 2019 and 2022. This value is x percent (calculation shown below). $\left(\frac{2022\ \mathrm{MW\ Reduction}}{2017\ \mathrm{MW\ Reduction}}\right)^{1/3} - 1$

2022 MW Reduction — The total MW load reduction in 2022 from the Company's DR programs - as calculated using the methodology that the Company has employed when reporting 2017 -2022 DR program data in the Annual Report - and NYISO's SCR program, as shown below:

	2022 MW
Company DR Programs	702
NYISO SCR Program	381
Total	1,083

2017 MW Reduction — The total MW load reduction in 2017 from the Company's DR programs - as calculated using the methodology that the Company has employed when reporting 2017-2022 DR program data in the Annual Report - and NYISO's SCR program, as shown below:

	2017 MW
Company DR Programs	484
NYISO SCR Program	431
Total	915

2.2.5 Achievement

The Company will report achievement using the following steps:

- Step 1: Incremental MW reductions from the Company's DR programs and the NYISO SCR Program in a given Rate Year (RY_X Incremental MW Reduction), will be calculated as described above in section 2.2.2.
- Step 2: The Company will compare the reductions achieved to the targets set forth in section 2.2.4 above and calculate the earned financial reward in a given Rate Year, if any, using the approach set forth in section 1.1.3.

2.3 Light-Duty Vehicle ("LDV") Emissions EAM

2.3.1 Description

The Light-Duty Vehicle ("LDV") Emissions EAM encourages Company efforts that will accelerate light-duty electric vehicle adoption and lead to a decrease in lifetime CO_{2e} (carbon dioxide equivalent) emissions on a marginal emissions basis. For the purpose of this EAM, LDV includes Battery Electric Vehicles ("BEV") and Plugin Hybrid Electric Vehicles ("PHEV") with a Gross Vehicle Weight of less than 10,000 lb.

2.3.2 Metric

The LDV emissions metric is the total lifetime CO_{2e} emissions reductions provided by the adoption of light-duty electric vehicles in any given Rate Year.

$$\begin{aligned} \mathrm{RY_x}\ \text{lifetime}\ \mathrm{CO_{2e}}\ \text{Reduction (metric tons)} \\ = \mathrm{RY_x}\ \text{BEV lifetime}\ \mathrm{CO_{2e}}\ \text{emissions reductions} \\ + \mathrm{RY_x}\ \text{PHEV lifetime}\ \mathrm{CO_{2e}}\ \text{emissions reductions} \end{aligned}$$

Where,

X	1, 2 and 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively.
RY_x Lifetime CO_{2e} Reduction	Total avoided lifetime CO_{2e} emissions in metric tons due to incremental LDVs in Rate Year x.
RY_x BEV lifetime CO_{2e} emission reductions	Total avoided lifetime CO_{2e} emissions in metric tons due to incremental BEVs in Rate Year x.
RY_x PHEV lifetime CO_{2e} emission reductions	Total avoided lifetime CO_{2e} emissions in metric tons due to incremental PHEVs in Rate Year x.

2.3.3 Measurement

The total lifetime CO_{2e} emissions reductions will be measured in metric tons and will be calculated by summing the lifetime CO_{2e} emissions reductions provided by the adoption of light-duty electric vehicles in the applicable Rate Year. The table below gives the Annual Tons CO_{2e} avoided per unit based on the more detailed calculations found in Appendix 22 Attachment A.

EV Technology	Annual Tons CO_{2e} Avoided per unit
BEV	2.33
PHEV	2.04

2.3.3.1 BEV

The BEV measurement will consider all incremental light-duty BEVs on the road in the Company's service territory during each Rate Year. The Company primarily tracks vehicles on the road in its service territory using Atlas' EValuateNY, a NYSERDA funded tool that uses vehicle registration data from the New York State Department of Motor Vehicles, and may supplement with any other available sources.[11] If multiple sources are used, the Company will demonstrate in its annual report to the Commission the actions it has taken to avoid double counting vehicle registrations.

2.3.3.2 PHEV

The PHEV measurement will consider all incremental light-duty PHEVs on the road in the Company's service territory during each Rate Year. The Company primarily tracks vehicles on the road in its service territory using Atlas' EValuateNY, and any other available sources, and may supplement with any other available sources. If multiple sources are used, the Company will demonstrate in its annual report to the Commission the actions it has taken to avoid double counting vehicle registrations.

2.3.4 Targets

Targets are based on a combination of market forecasts and policy goals for adoption of light-duty electric vehicles. The baseline and targets for the LDV Emissions EAM ("RY_x LDV Target") for each Rate Year, expressed as ton CO_{2e} are shown below for the minimum, midpoint, and maximum level of achievement.

	Level	**RY_1 (2023)**	**RY_2 (2024)**	**RY_3 (2025)**
LDV (ton CO_{2e})	Baseline	496,642	578,380	643,898
	Min	521,474	607,299	676,093
	Mid	624,640	921,156	1,385,881

[11] Atlas EValuate: https://atlaspolicy.com/evaluateny/

	Max	727,806	1,235,013	2,095,669

Where,

RY_x LDV Baseline	The level of adoption of electric vehicles projected using the Electric Power Research Institute ("EPRI") light-duty vehicle forecast. The incremental vehicle increases are converted to lifetime CO_{2e} reductions as described in section 2.3.3 above to determine a lifetime CO_{2e} ton baseline.
RY_x LDV $Target_{Min}$	The minimum targets are set at 5% above the baseline.
RY_x LDV $Target_{Mid}$	The Rate Year midpoint lifetime ton CO_{2e} reduction targets are based on the average of the rate year's minimum and maximum targets, calculated as follows: (RY_x LDV $Target_{Min}$ + RY_x LDV $Target_{Max}$) / 2
RY_x LDV $Target_{Max}$	Based on the Company achieving its share of the light-duty electric vehicle adoption policy target of 850,000 LDVs statewide, or 229,232 vehicles in the Con Edison service territory. This policy target was set based on meeting the goals under the 2013 Zero Emission Vehicle (ZEV) multi-state memorandum of understanding (MOU)[12]. A regression analysis assuming exponential growth was performed to extrapolate the trendline between the end of 2022 forecast and 2025 ZEV MOU target for cumulative LDVs. The incremental vehicle increases are converted to lifetime CO_{2e} reductions as described in section 2.3.3 above to determine the target lifetime CO_{2e} ton reductions.

2.3.5 Achievement

The Company will report achievement using the following steps:

- Step 1: Incremental lifetime CO_2 emissions reductions associated with incremental LDV sales in a given Rate Year will be calculated as described in section 2.3.2 above.

[12] State Zero-Emission Vehicle Programs, Memorandum of Understanding (October 24, 2013). At: dec.ny.gov/docs/air_pdf/zevmou.pdf

- Step 2: The Company will compare the levels calculated in Step 1 to the targets set forth in section 2.3.4 above and calculate the earned financial reward in a given Rate Year, if any, using the approach set forth in section 1.1.3.

2.4 Transportation Interconnection Timeline EAM

2.4.1 Description

The Transportation Electrification Interconnection Timeline ("TE Interconnection") EAM incentivizes the Company to reduce the average timeline for transportation electrification projects from application to energization, relative to a historical baseline, for transportation electrification projects 300 kilowatts (kW) and larger each rate year. For the purpose of this EAM, transportation electrification projects refer to cases for which the electric vehicle load request is one-half or more of the total load request, and the 300 kW threshold refers to the total transportation electrification load and does not include any non-transportation electrification load.

2.4.2 Metric

The TE Interconnection EAM metric will measure reductions in the interconnection timeline for transportation electrification projects of 300 kW and larger from application to energization for six distinct categories of work performed for the interconnection. The performance in each rate year will be assessed as a percent improvement in the timeline for all transportation electrification projects completed in that year compared to the baseline, developed as the average historical timelines from January 1, 2019, through August 31, 2022. The six work categories are described below:

Work Category	Description
New Secondary Service Install	New service cable(s) and conduit(s) and associated trenching required to service new customer loads.
New Secondary Service Install & System Upgrade	New service cable(s) and conduit(s) and grid reinforcement required to service new customer load; grid reinforcement may include installing new transformers, extending primary feeders, and/or new service cable and conduit.
New Overhead Service Install & System Upgrade	A new overhead service and grid reinforcement required to service new customer load; grid reinforcement may include installing new poles, overhead transformers, extending primary feeder, and/or new overhead service cable.
Service Adequate – High Tension	The customer's existing high tension installation is adequate to support the additional load being requested. Limited utility work required.

New Vault Service Install	New underground transformers are required to service the customer load. These installations may be in the franchise area or on customer property and provide power at 120/208V or 265/460V. This may also require some level of downstream grid reinforcement.
New High Tension Service	A new high tension installation is needed to support the load requested by a customer. The customer is fed from the utility at the primary level (4KV, 13KV, 27KV, 33KV) and will have customer owned step down transformers. This may also require some level of grid reinforcement.

The metric is calculated as the weighted average timeline to complete the transportation electrification projects from application to energization. The weight is based on the number of MWs completed in each of the work categories. In RY1, performance will be measured with a straight MW weighting; in RY2 and RY3, the number of MWs completed in the New High Tension service category will be doubled to provide additional weight to this category.

The weighted average timeline is defined as:

RY_x Weighted Average TE Timeline

$$= \sum_{y=category}^{6} (\mathrm{RY_x\ Average\ Time\ Work\ Category_y} * \mathrm{RY_x\ MW\ Weight\ Work\ Category_y})$$

Where,

x	1, 2 and 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively.
y	New Secondary Service Install, New Secondary Service Install & System Upgrade, New Overhead Service Install & System Upgrade, Service Adequate – High Tension, New Vault Service Install and New High Tension Service.
RY_x Average Time Work $Category_y$	The average time in calendar days to complete projects for each of the six respective work categories, calculated as follows:

$$\frac{\sum \mathrm{Days\ to\ complete\ all\ projects\ in\ work\ category_y\ in\ RY_x}}{\sum \mathrm{Total\ number\ of\ projects\ completed\ in\ work\ category_y\ in\ RY_x}}$$

RY_x MW Weight Work $Category_y$	The MW weighting for each of the six respective work categories, calculated as follows: $$\frac{RY_x MW_y}{RY_x MW_{total}}$$
RY_x MW_y	Total number of MWs of all projects completed in work $category_y$ in the rate year.
RY_x MW_{total}	Total number of MWs of all projects completed in all six work categories in the rate year.

For RY2 and RY3, if there are completed New High Tension Service project(s), this work category will be double weighted. This can be accomplished by doubling the number of MWs in the New High Tension Service work category prior to performing all calculations.

2.4.3 Measurement

The Company will develop the timeline data for each project from its Customer Project Management System ("CPMS") which tracks project timelines from application submission to energization. The interconnection timeline for each project completed in the given rate year will be measured based on the timelines in CPMS, and the calculation for the metric will be completed as described above in section 2.4.2.

2.4.4 Targets

Targets ("RY_x TE Interconnection Target") for performance will be set as a percent improvement in the weighted average interconnection timeline relative to the historical baseline. The percent improvements for the minimum, midpoint, and maximum in each Rate Year are shown in the table below.

	Level	RY_1 (2023)	RY_2 (2024)	RY_3 (2025)
TE Interconnection (Percent Improvement in Timeline (Weighted))	Min	8%	9%	13%
	Mid	15%	18%	20%
	Max	25%	30%	35%

The baseline for each rate year will developed based on the weighted average historic average number of days from project application to energization for all load request projects completed by Con Edison across the six work categories from January 1, 2019 to August 31, 2022. The MW weighting will be applied to the historic averages to serve as a proportional comparison to the performance of each respective Rate Year.

The baseline is calculated as follows:

Baseline Weighted Average Transportation Electrification Timeline

$$= \sum_{y=category}^{6} \left(\text{Historic Average Time Work Category}_y * \text{RY}_x \text{ MW Weight Work Category}_y\right)$$

Where,

x	1, 2 and 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively.
y	New Secondary Service Install, New Secondary Service Install & System Upgrade, New Overhead Service Install & System Upgrade, Service Adequate – High Tension, New Vault Service Install and New High Tension Service.
Historic Average Time Work Category$_y$	Averages of all projects completed by the Company for each of the respective six work categories from January 1, 2019 to August 31, 2022 (shown in Table 6 below).
RY_x MW Weight Work Category	The MW weighting for each of the six respective work categories, calculated as follows: $$\frac{\text{RY}_x\text{MW}_y}{\text{RY}_x\text{MW}_{total}}$$
MW_y	Total number of MWs of all projects completed in work category$_y$ (shown in Table 6 below).
MW_{total}	Total number of MWs of all projects completed in all six work categories.

The historic averages and total MW completed for the work categories are outlined in the table below:

Table 6. Historic Interconnection Timeline and MW Completed

Category	**Average timeline (calendar days)**	**Total MW completed**
New Secondary Service Install	594	104
New Secondary Service Install & System Upgrade	741	103
New Overhead Service Install & System Upgrade	774	37
Service Adequate – High Tension	925	32
New Vault Service Install	1156	167
New High Tension Service	2266	23

2.4.5 Achievement

The Company will report achievement using the following steps.

- Step 1: The Company will collect data on the total number of MWs completed in each Rate Year for each work category and the average number of days to complete jobs in each work category from CPMS. The RY_x Weighted Average Transportation Electrification Timeline and Baseline Weighted Average Transportation Electrification Timeline will be calculated as described above. The reduction between baseline and RY_x will be expressed as a percentage and calculated as follows:

  RY_x Performance

  $$= \frac{\left(\begin{array}{c}\text{Baseline Weighted Average Transportation Electrification Timeline } - \\ \text{RYx Weighted Average Transportation Electrification Timeline}\end{array}\right)}{\text{Baseline Weighted Average Transportation Electrification Timeline}}$$

- Step 2: The Company will compare the RYx Performance calculated in Step 1 to the targets set forth in section 2.4.4 above and calculate the earned financial reward in a given Rate Year, if any, using the approach set forth in section 1.1.3.

2.5 Managed Charging EAM

2.5.1 Description

The Managed Charging EAM is intended to decrease peak coincident electric vehicle charging demand through grid beneficial behavior in the Company's Managed Charging program(s).

The details of the Managed Charging EAM(s) for all three years of managed charging program will be developed through a collaborative to be commenced within 30 days from January 19, 2023, with the objective of completing work within 60 days of commencement. Meetings will be held weekly or as otherwise determined by the participants. If needed, the parties may agree to extend the 60 day period.

In the event the collaborative reaches consensus on the EAM(s), the Company, working with collaborative participants, will prepare a consensus report for filing with the Commission describing that agreement no later than 10 days after agreement is reached. The report will include a detailed description of the metrics, targets and basis points. If the collaborative does not reach consensus on the EAM(s) , parties may file comments on the collaborative discussion and/or recommendations to the Commission regarding the EAM(s) 15 days after the collaborative ends. Parties also may file reply comments 7 days thereafter. The parties will endeavor to file either a consensus document or comments prior to a Commission ruling on the Joint Proposal so that the EAM(s) can be addressed in the Commission decision on this Joint Proposal.

A maximum of 10 basis points will be reserved for the EAM(s).

2.6 Distributed Energy Resource ("DER") Utilization (DERU) Solar EAM

2.6.1 Description

The Distributed Energy Resource ("DER") Utilization ("DERU") Solar EAM encourages the Company to work with DER providers and expand the use of solar DER in its service territory for the purposes of reducing customer reliance on grid-supplied electricity.

2.6.2 Metric

The DERU Solar metric is the annual, incremental nameplate alternating current ("AC")-MW capacity of solar photovoltaics ("solar PV") interconnected in Con Edison's territory, calculated as follows:

$$\mathrm{RY}_x \text{ DERU Solar} = \sum \mathrm{RY}_x \text{ Solar PV MW interconnections}$$

Where,

x	1, 2, and 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively.
RY_x DERU Solar	Summation of solar PV projects interconnected within Con Edison's service territory in Rate Year x, via the New York State Standardized Interconnection Requirements ("SIR") process, measured in AC-MW.
RY_x Solar PV MW interconnections	The AC-MW capacity of each solar PV project interconnected in Rate Year x through the SIR process.

2.6.3 Measurement

Solar PV interconnections will be measured by the nameplate AC-MW capacity of each project that completes the SIR process and is approved to commence operation, as reported in the Company's SIR Inventory Report for each Rate Year.

2.6.4 Target

The EAM baseline and targets for DERU Solar ("RY_x DERU Solar Target") for each Rate Year are shown below for the minimum, midpoint, and maximum level of achievement.

	Level	**2023 (RY_1)**	**2024 (RY_2)**	**2025 (RY_3)**
	Baseline	88.55	97.18	105.82

DERU Solar (AC-MW)	Min	95.19	104.47	113.75
	Mid	110.68	121.48	132.27
	Max	132.82	145.77	158.73

The baseline for the DERU Solar EAM was developed based on a regression trendline using actual 2017-2022 annual solar interconnections. For each Rate Year, the baseline is greater than 56.25 MW, which is the annual apportionment of the goal to install 450 MW of incremental solar in Con Edison's service territory by 2030, per the NY-Sun Expansion Order.

Targets are set at 7.5 percent, 25 percent, and 50 percent above the baseline for the minimum, midpoint, and maximum targets, respectively.

2.6.5 Achievement

The Company will report achievement using the following steps:

- Step 1: Report the capacity of solar PV installations that complete the SIR process and are approved to commence operation in a given Rate Year, measured in AC-MW.
- Step 2: Compare the capacity determined in Step 1, RY_x DERU Solar, to the baseline and targets set forth in Section 2.6.4, and calculate the earned financial reward in a given Rate Year, if any, as detailed in section 1.1.3.

2.7 DERU Storage EAM

2.7.1 Description

The DERU Storage EAM incentivizes the Company to support the installation of customer-sited energy storage systems ("ESS") of 5 MW or less (excluding Non-Wires Alternatives projects).[13]

2.7.2 Metric

The DERU Storage metric is the incremental nameplate AC-MW capacity of customer-sited ESS of 5 MW or less interconnected in Con Edison's service territory, calculated as follows:

$$\text{RY}_x \text{ DERU Storage} = \sum \text{RY}_x \text{ ESS MW interconnections}$$

Where,

x	1, 2, and 3 for Rate Year 1, Rate Year 2, or Rate Year 3, respectively

[13] Con Edison uses the marketing term "Non-Wires Solutions."

RY_x DERU Storage	Summation of ESS projects' capacity that complete the SIR process and are approved to commence operation within Con Edison's service territory in Rate Year x, measured in AC-MW.
RY_x ESS MW interconnections	The AC-MW capacity of each ESS project that completes the SIR process and is approved to commence operation within Con Edison's service territory in Rate Year x.

2.7.3 Measurement

The capacity of ESS installations will be measured by the inverter AC nameplate rating of each project that completes the SIR process and is approved to commence operation, as reported in the Company's SIR Inventory Report for each Rate Year. The Company will identify in its EAM filing any incremental interconnected capacity (AC-MW) from projects less than or equal to 5 MW that are under contract with Con Edison through its Non-Wires Alternatives programs, and those MW will be removed from the measurement.

2.7.4 Target

The EAM targets for DERU Storage ("RY_x DERU Storage Target") for each Rate Year are shown below for the minimum, midpoint, and maximum level of achievement.

	Level	**RY_1 (2023)**	**RY_2 (2024)**	**RY_3 (2025)**
DERU Storage (AC-MW)	Baseline	9.83	15.47	24.36
	Min	10.81	17.02	26.80
	Mid	12.28	19.34	30.45
	Max	14.74	23.21	36.54

The targets are based on an exponential growth curve to achieve a 2030 goal for SIR storage interconnections in Con Edison's service territory. The minimum, midpoint, and maximum targets are set at 10 percent, 25 percent, and 50 percent above the baseline.

2.7.5 Achievement

The Company will report achievement using the following steps:

- Step 1: Report the capacity of ESS projects that complete the SIR process and are approved to commence operation in a given Rate Year, measured in AC-MW.

- Step 2: Compare the capacity of ESS projects determined in Step 1, RY_x DERU Storage, to the baseline and targets set forth in Section 2.7.4, and calculate the earned financial reward in a given Rate Year, if any, as detailed in section 1.1.3.

Appendix 22 - Attachment A

Data inputs are consistent with the Beneficial Electrification EAM from the 2020 - 2022 rate period and were originally developed through a collaborative process with DPS and other stakeholders during 2017 - 2019 rate period.

kg CO2e avoided / MWh Light Duty BEV Analysis

Item	Value
Btu / gallon gasoline	123,000
Btu / kWh	3,414
kWh / gallon gasoline	36.03
Gallons / MWh	27.76
kg CO2e emissions / liter gasoline	2.425
kg CO2e emissions / gallon gasoline	8.50
kg CO2e emissions / MWh (gasoline fuel)	235.93
Passenger vehicle efficiency (miles per gallon gasoline)	24.20
miles per MWh (gasoline car)	671.70
kg CO2e / mile (gasoline car)	0.35
Passenger BEV efficiency (kWh / mile)	0.32
EPA eGrid figure Emission Rate (kg / kWh)	0.46
kg CO2e/mile (electric car)	0.15
kgCO2e savings/mile (gas-electric)	0.2035
Miles traveled / vehicle / year	11,467
Net kg CO2e avoided / per EV per year	**2,334**

kg CO2e avoided / MWh Light Duty PHEV Analysis

Item	Value
Btu / gallon gasoline	123,000
Btu / kWh	3,414
kWh / gallon gasoline	36.03
Gallons / MWh	27.76
kg CO2e emissions / liter gasoline	2.425
kg CO2e emissions / gallon gasoline	8.50
kg CO2e emissions / MWh (gasoline fuel)	235.93
Passenger vehicle efficiency (miles per gallon gasoline)	24.50
miles per MWh (gasoline car)	680.02
kg CO2e / mile (gasoline car)	0.35
Passenger PHEV efficiency (kWh / mile)	0.37
EPA eGrid figure Emission Rate (kg / kWh)	0.46
kg CO2e/mile (electric car)	0.17
kgCO2e savings/mile (gas-electric)	0.1776
Miles traveled / vehicle / year	11,467
Net kg CO2e avoided / per EV per year	**2,036**

ELECTRIC BURNOUT REPORTING TABLE

	Not Applicable	6” or Greater	5”	4”	3”	2”	Total
Bronx							
Manhattan							
Queens							
Westchester							
Total							

Consolidated Edison Company of New York, Inc.
Cases 22-E-0064, 22-G-0065
Estimated and Delayed Billing Metric

The Estimated and Delayed Billing Metric described herein will be in effect for the term of the Rate Plan and thereafter unless and until changed by the Commission.

a. Performance Metric

This performance metric measures the percentage of customer bills in each of two categories (defined below as Metric 1 and Metric 2) that have been estimated or delayed for more than 125 days. Within each category, the performance metric will be the percentage of bills that have been estimated for more than 125 days or that have been delayed (i.e., no bill has been issued) for more than 125 days. The performance level for the determination of each metric will be the average of the four calendar quarters of each rate year.[1]

The Company agrees to file with the Commission a report in these cases stating the percentage of bills currently estimated or delayed over 125 days as of the end of the quarter for each metric within 30 days after the end of each quarter. The Company will report its performance for each rate year to the Commission by January 31 of the following year.

b. Two Metrics

i) Metric 1: Percentage of bills estimated or delayed more than 125 days as of the end of each quarter for the following combined grouping: Electric residential, Electric

[1] As shown in the chart below, the target threshold levels for each metric are calculated on the basis of percentage reductions from a baseline for each metric. For illustrative purposes only, if the Company's baseline is that 10 percent of bills in a category have been estimated or delayed for more than 125 days, and its target level of performance for a rate year is that 8 percent or less of bills have been estimated or delayed for more than 125 days, then that represents a 20 percent reduction from the baseline as (10-8)/10 = 0.2 = 20 percent.

The performance level for each calendar quarter will be rounded using standard rounding principles to the second decimal place, i.e., the nearest hundredth of a percent. The average of those four quarterly results will then also be rounded to the second decimal place to determine the annual performance level and which target threshold level applies.

non-residential non-demand (excluding NYPA), Gas residential. This metric excludes bills for residential customers with non-AMI legacy meters who have opted out of receiving an AMI meter. This metric also excludes bills for non-residential customers for whom the Company's Return to Utility ("RTU") vendor has made five unsuccessful attempts to install an AMI meter.

ii) Metric 2: Percentage of bills estimated or delayed more than 125 days as of the end of each quarter for the following combined grouping: Electric non-residential demand, NYPA Electric, Gas non-residential. This metric excludes bills for non-residential and NYPA customers for whom the Company's RTU vendor has made five unsuccessful attempts to install an AMI meter.

c. Definition of a Bill

A bill for the purposes of this metric is the bill for each commodity associated with a specific account. For example, electric and gas bills on dual service accounts will be treated as separate bills for each account. Accounts billed on a summary bill or the NYPA summary bill will be based on the individual bills for each account and commodity on the summary bill. Accounts with multiple meters for the same commodity service where a single bill is generated will be counted as one bill. The only exception will be for the NYPA traction (e.g., MTA), where individual meters billed will be evaluated for the purpose of the metric, not the combined traction bill.

d. Targets and NRA Levels

The targets and associated negative revenue adjustments are stated in the following chart:

Estimated and Delayed Billing Metrics
Negative Revenue Adjustment and Targets

Indicator	Maximum Revenue Adjustment	Percentage reductions from applicable baseline	Target threshold levels for percentage of bills estimated or delayed more than 125 days	Negative Revenue Adjustment[2]
Estimated & Delayed Billing Metric 1 (Baseline=2.21%)	3 basis points per rate year	**Rate Year 1:** >/=10% <10% - >/=5% <5% - >0% No reduction **Rate Year 2:** >/=15% <15% - >/=10% <10% - >/=5% <5% **Rate Year 3:** >/=20% <20% - >/=15% <15% - >/=10% <10%	**Rate Year 1:** </=1.99% >1.99% - </=2.10% >2.10% - <2.21% >/=2.21% **Rate Year 2:** </=1.88% >1.88% - </=1.99% >1.99% - </=2.10% >2.10% **Rate Year 3:** </=1.77% >1.77% - </=1.88% >1.88% - </=1.99% >1.99%	 None 1 basis point 2 basis points 3 basis points None 1 basis point 2 basis points 3 basis points None 1 basis point 2 basis points 3 basis points

[2] For purposes of the estimated and delayed billing metric, 1 combined basis point will equal the value of 1 basis point return on common equity for electric plus the value of 1 basis point return on common equity for gas. This combined amount would then be allocated using the common allocator of 84% electric and 16% gas.

Indicator	Maximum Revenue Adjustment	Percentage reductions from applicable baseline	Target threshold levels for percentage of bills estimated or delayed more than 125 days	Negative Revenue Adjustment
Estimated & Delayed Billing Metric 2 (Baseline=9.73%)	3 basis points per rate year	**Rate Year 1:**	**Rate Year 1:**	
		>/=35%	</=6.32%	None
		<35% - >/=17.5%	>6.32% - </=8.03%	1 basis point
		<17.5% - >0%	>8.03% - <9.73%	2 basis points
		No reduction	>/=9.73%	3 basis points
		Rate Year 2:	**Rate Year 2:**	
		>/=50%	</=4.87%	None
		<50% - >/=35%	>4.87% - </=6.32%	1 basis point
		<35% - >/=20%	>6.32% - </=7.78%	2 basis points
		<20%	>7.78%	3 basis points
		Rate Year 3:	**Rate Year 3:**	
		>/=75%	</=2.43%	None
		<75% - >/=60%	>2.43% - </=3.89%	1 basis point
		<60% - >/=45%	>3.89% - </=5.35%	2 basis points
		<45%	>5.35%	3 basis points