

Case 25-E-0072: 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 25-G-0073: 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

Summary of Joint Proposal

November 6, 2025

The Joint Proposal proposes a three-year rate plan for Consolidated Edison Company of New York, Inc.'s ("Con Edison" or "Company") electric and gas businesses for a term beginning January 1, 2026 and ending December 31, 2028. Rate Year 1 ("RY1") is January 1, 2026 through December 31, 2026; Rate Year 2 ("RY2") is January 1, 2027 through December 31, 2027; and Rate Year 3 ("RY3") is January 1, 2028 through December 31, 2028.

Revenue Requirements:

Recommended shaped annual delivery revenue increases are as follows:

	RY1		RY2		RY3	
	(Million \$)	% Total Revenue	(Million \$)	% Total Revenue	(Million \$)	% Total Revenue
Electric	\$ 234.0	2.8%	\$ 409.7	2.8%	\$ 421.1	2.8%
Gas	\$ 27.5	2.0%	\$ 68.8	2.0%	\$ 70.3	2.0%

Revenue Requirements Including Incremental Property Tax Increases:

The unshaped annual delivery revenue increases including the incremental property tax impacts are as follows:

	RY1			RY2			RY3		
	Revenue Increase w.o. Incremental Property Taxes	Revenue Increase Due to Incremental Property Taxes	Total Revenue	Revenue Increase w.o. Incremental Property Taxes	Revenue Increase Due to Incremental Property Taxes	Total Revenue	Revenue Increase w.o. Incremental Property Taxes	Revenue Increase Due to Incremental Property Taxes	Total Revenue
	a	b	c=a+b	d	e	f=d+e	g	h	i=g+h
Electric	\$75.6	\$146.8	\$222.4	\$389.8	\$82.9	\$472.7	\$253.1	\$75.9	\$329.0
Gas	(\$44.8)	(\$1.4)	(\$46.2)	\$151.2	\$19.0	\$170.2	\$75.5	\$17.5	\$93.0

Customer Bill Impact:

The following table presents the average monthly residential bill impacts for a typical customer, exclusive of any potential make-whole provision, for the proposed rate plan.¹

	RY1		RY2		RY3	
	Incremental Impact	Total Bill Impact	Incremental Impact	Total Bill Impact	Incremental Impact	Total Bill Impact
Electric	\$6.88	3.5%	\$6.50	3.2%	\$6.61	3.1%
Gas	\$10.67	4.4%	\$14.38	5.7%	\$15.08	5.6%

Return on Equity/Capital Structure: The Joint Proposal reflects a 9.40% return on equity and a ratemaking capital structure reflecting a common equity component of 48.00%. The cost of long-term debt reflected in the Joint Proposal is 4.78% in RY1, 4.90% in RY2, and 5.01% in RY3. Finally, the Joint Proposal includes earnings sharing mechanisms by which customers will share any annual earnings in excess of 9.90%.

Make Whole Provision: To address the potential that the New York State Public Service Commission (“Commission”) action on the Joint Proposal may occur after the start of RY1, it contains a make whole provision whereby the Company will recover or refund any revenue under- or over-collections, such that customers and the Company will be in the same position had RY1 rates gone into effect on January 1, 2026.

Affordability: The Joint Proposal includes several provisions to address energy affordability concerns, including: a reduction in the incremental revenue requirement by keeping the electric and gas depreciation expenses at RY1 levels; limited recovery of reserve deficiencies; a 3% productivity adjustment in RY1; 2% productivity adjustments in RY2 and RY3; and the use of unbilled revenue to reduce the revenue collected from customers by \$250 million for electric and \$140 million for gas over the three years of the rate plan for rate mitigation purposes.

Climate Leadership and Community Protection Act (“CLCPA”) Goals: The Joint Proposal contains numerous provision that are intended to further New York State’s ability to meet the goals of the CLCPA, including provisions or funding that will:

- provide for quantifying and reporting of greenhouse gas emissions;
- enhance the electric system in anticipation of transportation and building electrification;
- provide funding for improved electric and gas reliability and resiliency;
- facilitate the clean energy transition;
- reduce methane emissions by replacing or reducing 76 miles of leak prone gas pipe;
- enhance methods of encouraging Non-Pipe Alternatives, such as to enable removal of leak prone mains and service lines;
- encourage a reduction in gas distribution system leaks;
- continue the High Emitter Methane Detection program to assist in reducing methane emissions;

¹ The average monthly bill impacts shown in the table are for a typical electric customer using 600 kWh per month and a typical residential gas heating customer using 100 therms per month.

- encourage the development of alternative heating options, including ground- and air-source heat pumps, through methods such as advanced rate option education and outreach tools;
- encourage the continued development of Non-Wires Alternatives;
- improve the Company's data sharing for energy efficiency benchmarking;
- enhance Information Technology systems and processes supporting the adoption and integration of renewable energy resources;
- update earnings adjustment mechanisms to focus utility attention on outcomes that ease interconnection issues around clean energy technologies and optimize the existing distribution system as CLCPA goals are implemented and achieved; and
- provide data above and beyond legal requirements to the Commission and interested stakeholders on the results of Company programs and electric service outages in disadvantaged communities.

Capital Investment: Electric and Gas: The Joint Proposal reflects the following levels of capital investment during the term of the rate plan:

	RY1 (Millions \$)	RY2 (Millions \$)	RY3 (Millions \$)
Electric	4,550	4,474	4,712
Gas	1,093	1,057	1,065

The capital investments reflected in the rates proposed in the Joint Proposal will allow the Company to continue to reinforce and modernize its electric and gas energy delivery systems. The Joint Proposal also encourages the Company to pursue Non-Wires Alternatives for its electric system and Non-Pipeline Alternatives for its gas system.

Information Technology: The Joint Proposal also proposes rates that reflect incremental capital investments for various Information Technology projects, including upgrading and modernizing technology and implementing work management and customer tools.

Reconciliations/Deferrals: The Joint Proposal proposes to continue various reconciliation mechanisms for specific cost elements, such as: property taxes; pension and other post-employment benefits expense; site investigation and remediation expenses; uncollectible expenses and late payment charges; and other externally imposed costs. The Joint Proposal also proposes new reconciliations, such as reconciliations for new business capital costs, a revenue adjustment mechanism for the Company's gas services, and compliance with New York State Department of Environmental Conservation rules related to phasing out equipment using sulfur hexafluoride.

Sur-credits/Surcharges: The Joint Proposal proposes several sur-credit/surcharge mechanisms to prevent the build-up of large deferrals, including for major storm costs, property taxes, uncollectible expense, late payment fees, and recovery of energy efficiency program costs.

Service Quality and Performance Metrics: The Joint Proposal proposes to continue Con Edison's electric service reliability, gas safety, and customer service performance mechanisms. For the electric service reliability performance mechanism, the Joint Proposal proposes to increase the

negative revenue adjustments associated with the outage interruption duration and frequency metrics. For gas safety, the Joint Proposal continues the gas infrastructure removal or replacement program; continues the damage prevention, emergency response time, leak management, and regulatory compliance performance measures; continues various annual reporting requirements; and supports safety-related programs that will benefit consumers and the general public. For customer service metrics, the Joint Proposal proposes to increase the maximum negative revenue adjustment from 10 to 12 combined (electric and gas) basis points for both the Call Answer Rate and Complaint Rate metrics over the next three years.

Energy Affordability Program: The Joint Proposal continues the Company's commitment to providing rate relief to low-income customers enrolled in the Energy Affordability Program by targeting an electric discount program cost of \$213.7 million per year and \$43.6 million per year for the gas program. In accordance with Energy Affordability Program policy, discounts will be updated with the tariff compliance filing of a new rate plan. The Company is also implementing the Expanded Energy Affordability Program in accordance with the recent Commission orders in Case 14-M-0565.

Earnings Adjustment Mechanisms: The Joint Proposal proposes three Earnings Adjustment Mechanisms that encourage the Company to deliver beneficial outcomes, including: (1) reducing demand by increasing megawatts of demand reduction in demand response programs; (2) reducing average Company timelines for interconnection of transportation electrification and certain building projects; and (3) increasing enrollment and encouraging off-peak charging in its commercial managed charging program.

Reporting Requirements: The Joint Proposal also proposes detailed reporting requirements related to electric and gas capital projects, including: the Information Technology capital projects, including artificial intelligence applications and avoided costs; the Outreach and Education program; and full-time equivalent incremental employee hiring status.

Language Access: The Joint Proposal also proposes to expand language offerings for priority outreach and education materials in the 12 most spoken languages other than English in the Company's service territory.