

**CONSOLIDATED EDISON
COMPANY OF NEW YORK, INC.
2026-2028 OPERATIONS AND
MAINTENANCE (O&M)**

GAS OPERATIONS - O&M CHANGES BY CATEGORY	Total Dollars (\$000)*		
	RY1	RY2	RY3
CECONY Flagging Prevailing Wage NYC - Gas	\$ 1,667		
Construction Gas Labor	\$ 843		
Grand Total	\$ 2,510	\$ -	\$ -

*dollars represented as incremental over historic year

TABLE OF CONTENTS

WHITE PAPERS

➤ **CECONY Flagging Prevailing Wage NYC - Gas** 4

➤ **Construction Gas Labor** 7

**Business Unit / Division
2025-2029**

1. Project / Program Summary	
Type: <input type="checkbox"/> Project <input checked="" type="checkbox"/> Program	Category: <input type="checkbox"/> Capital <input checked="" type="checkbox"/> O&M <input type="checkbox"/> Regulatory Asset
Work Plan Category: <input type="checkbox"/> Regulatory Mandated <input checked="" type="checkbox"/> Operationally Required <input type="checkbox"/> Strategic	
Project/Program Title: CECONY Flagging Prevailing Wage NYC - Gas	
Project/Program Manager: Various	Project/Program Number (Level 1): N/A
Status: <input type="checkbox"/> Initiation/Planning <input type="checkbox"/> In-Progress (Projects Only) <input checked="" type="checkbox"/> On-going (Programs Only)	
Estimated Start Date:	Estimated Date In Service:
2025-2029 Funding Request (\$000) Capital: O&M: \$7,488	
<p>Work Description:</p> <p>Flaggers, also known as traffic control personnel, play a critical role in ensuring the safety of both drivers and workers in areas where construction, maintenance, or other activities disrupt normal traffic flow. They are responsible for directing vehicles and pedestrians, thereby minimizing the risk of accidents, and maintaining an orderly flow of traffic.</p> <p>The primary responsibilities of flaggers include:</p> <ul style="list-style-type: none"> • Traffic Direction Flaggers use hand signals, signs, and other tools to direct the flow of vehicles and pedestrians. They ensure that drivers are aware of changes in traffic patterns and guide them safely through construction zones or other disrupted areas. • Communication Effective communication is crucial for flaggers. They must be able to clearly convey instructions to drivers, pedestrians, and other workers. This includes using standardized hand signals, radios, and verbal communication to coordinate with other flaggers and supervisors. • Safety Maintenance Flaggers are responsible for maintaining a safe environment. This involves setting up and removing traffic control devices such as cones, barriers, and signs. They also monitor the work zone to ensure that both workers and the public are not exposed to unnecessary hazards. • Incident Response In the event of an accident or emergency, flaggers must be prepared to take immediate action. This can include calling for emergency services, providing first aid, and managing the scene to prevent further incidents. <p>Flaggers play a vital role in maintaining safety and efficiency in areas with disrupted traffic flow. Their responsibilities include directing traffic, maintaining communication, ensuring safety, and responding to incidents. To perform their duties effectively, flaggers need a specific set of skills and qualifications, including attention to detail, physical fitness, communication skills, and certification. Despite the</p>	

challenges they face, flaggers are essential for protecting workers and the public, ensuring the smooth progress of construction and maintenance activities, and ensuring compliance with safety regulations.

Flaggers' work is not only essential but also demanding, requiring a high level of dedication and professionalism. By understanding and appreciating the role of flaggers, we can better support them in their efforts to ensure safety and efficiency on our roads and construction sites.

Justification Summary:

The New York City Comptroller’s Office recently released an updated guidance memo stating that flaggers who perform work on New York City projects requiring a street-opening permit must be paid prevailing wages. This guidance applies to all contracts signed after July 1, 2024. This change will increase flagging costs for our vendors, which will result in increased pass-through costs for Con Edison.

2. Supplemental Information

Summary of Financial Benefits and Costs (attach backup)

1. Cost-benefit analysis (if required)

N/A

2. Major financial benefits

N/A

3. Basis for estimate

A percentage increase was applied to the Gas O&M CECONY Flagging in NYC test year spend based on an estimated prevailing wage rate compared to 2024 contract rates.

3. Funding Detail (\$000)

Historic Spend

	<u>Actual 2020</u>	<u>Actual 2021</u>	<u>Actual 2022</u>	<u>Actual 2023</u>	<u>Test Year* (O&M Only)</u>	<u>Forecast 2024</u>
O&M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Regulatory Asset						
Capital						

2025-2029 Request:

Total Request by Year:

	<u>2025</u>	<u>2026 (RY1)</u>	<u>2027 (RY2)</u>	<u>2028 (RY3)</u>	<u>2029</u>
O&M	\$820.1	\$1,666.9	\$1,666.9	\$1,666.9	\$1,666.9
Regulatory Asset					
Capital (Total)					
Labor					
M&S					
Contract Svcs.					
Other					
Overheads					

*The test year runs from 10/1/2023 to 9/30/2024

**Construction/Gas
2025-2029**

1. Project / Program Summary

Type: <input type="checkbox"/> Project <input type="checkbox"/> Program		Category: <input type="checkbox"/> Capital <input checked="" type="checkbox"/> O&M <input type="checkbox"/> Regulatory Asset	
Work Plan Category: <input type="checkbox"/> Regulatory Mandated <input checked="" type="checkbox"/> Operationally Required <input type="checkbox"/> Strategic			
Project/Program Title: Construction Gas Labor			
Project/Program Manager: Paulino Ventura		Project/Program Number (Level 1): N/A	
Status: <input type="checkbox"/> Initiation/Planning <input type="checkbox"/> In-Progress (Projects Only) <input checked="" type="checkbox"/> On-going (Programs Only)			
Estimated Start Date:		Estimated Date In Service:	
2025-2029 Funding Request (\$000) Capital: O&M: \$21,475			
Work Description: The Company has strategically restructured the existing resources, operations and personnel within the Construction organization. The Construction organization will now oversee construction contracts and execution of all activities for the successful completion and implementation of major projects and programs in the Electric, Gas, and Steam portfolios.			
Justification Summary: The Company is planning several projects to accommodate load growth and electrification to facilitate the delivery of electricity from large-scale renewable resources to the Con Edison service territory. Some of the Company’s planned projects include the Brooklyn Clean Energy Hub, Gateway Area Substation, Eastern Queens Transmission Station, Idlewild Area Station, interconnection of renewable energy projects, facility upgrades, and other transmission, distribution, and system expansion projects. This growth and increase in large-scale complex projects require changes within the Construction organization. Accompanying the system expansion projects, Construction will also support asset replacement and upgrades that the Company will continue to perform to maintain system reliability. In addition, Construction will support projects for the system installation of Electric Vehicle hotspot locations that will commence in late 2025 through the upcoming rate years. In order to support the work described above, incremental Construction staffing requirements include 1 Vice President, 1 Executive Assistant, 2 General Managers, 4 Section Managers, 19 Supervisors, 77 Mechanics, 55 Chief Construction Inspectors, 10 Specialists, 94 Field Inspectors, and 10 Field Technical Specialists, bring the organization’s incremental staffing request to 273. Approximately 20% of these roles will be dedicated to the GIOP panel, with the remaining 80% allocated to the EIOP panel. This staffing plan will facilitate contractor oversight, site preparation, and construction activities, testing, and commissioning for planned projects and programs. In addition, these positions will also support the Company’s planned transition to support the clean energy future. Employees in these positions will be responsible for, among other things, executing the projects that support offshore wind,			

energy storage, and associated transmission and system expansion upgrades. The funding for these FTEs will be predominately capital and included in the project or program funding requests while the associated O&M costs are not.

2. Supplemental Information

Summary of Financial Benefits and Costs (attach backup)

1. Cost-benefit analysis (if required)

N/A

2. Major financial benefits

N/A

3. Basis for estimate

Based on Salary estimates and clearing costs from the Construction Organization.

3. Funding Detail (\$000)

Historic Spend

	<u>Actual</u> <u>2020</u>	<u>Actual</u> <u>2021</u>	<u>Actual</u> <u>2022</u>	<u>Actual</u> <u>2023</u>	<u>Test</u> <u>Year*</u> <u>(O&M</u> <u>Only)</u>	<u>Forecast</u> <u>2024</u>
O&M	\$3,025	\$3,143	\$3,251	\$3,048	\$3,579	\$3,789
Regulatory Asset						
Capital						

2025-2029 Request:

Total Request by Year:

	<u>2025</u>	<u>2026 (RY1)</u>	<u>2027 (RY2)</u>	<u>2028 (RY3)</u>	<u>2029</u>
O&M	\$3,784.8	\$4,422.6	\$4,422.6	\$4,422.6	\$4,422.6
Regulatory Asset					
Capital (Total)					
Labor					
M&S					
Contract Svcs.					
Other					
Overheads					

*The test year runs from 10/1/2023 to 9/30/2024

**CONSOLIDATED EDISON
COMPANY OF NEW YORK, INC.
2026-2028
GAS OPERATIONS – ADDITIONAL
FTE**

Organization	White Paper/Program Name	Exh. #	Page #	# of FTEs	Linking Period	RY1 Staffing Change	RY2 Staffing Change	RY3 Staffing Change	Capital, O&M, Combined
Construction	Construction Gas Labor			58	58				Combined

**CONSOLIDATED EDISON
COMPANY OF NEW YORK, INC.
2026-2028
PERFORMANCE MEASURE
MODIFICATIONS**

Table 1: Leak Backlog Positive Revenue Adjustment (PRA)

Total Leak Backlog:	2025 Metric Positive Basis Points:	Proposed Positive Basis Points:
11-25	2 BP	4 BP
3-10	4 BP	6 BP
<=2	6 BP	8 BP

Table 2: Leak Response Time PRA

Response Time	2025 Metric Positive Basis Points:	Proposed Positive Basis Points:
97% to 97.99% Within 30 Minutes	2 BP	4 BP
98% to 99.49% Within 30 Minutes	4 BP	6 BP
=>99.50% Within 30 Minutes	6 BP	8 BP