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Reports

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January 30, 2007

Via Overnight Delivery Service

Hon. Jaclyn A. Brilling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Re: Cases 03-G-1671 et al. and Case 04-E-0572 – Retail Access Report

Dear Secretary Brilling:

Enclosed please find an original and five copies of Consolidated Edison Company of New York, Inc.'s Semi-Annual Retail Access Report.

The Retail Access Report will also be sent by electronic mail tomorrow to Staff, all active parties in Cases 03-G-1671 et al., and to the signatory parties in Case 04-E-0572 (plus the parties in that Case who requested copies of reports being filed by the Company), in accordance with the Public Service Commission's "Order Adopting the Terms of a Joint Proposal" in Cases 03-G-1671 and 03-S-1672 and its "Order Adopting Three-Year Rate Plan" in Case 04-E-0572.

If you have any questions concerning the Report, please contact Mr. Charles Reed at (212) 460-6947.

Sincerely,

Jeffrey L. Futter, Esq.

cc: Honor Kennedy, Department of Public Service (by email)
Julie Niedzialkowski, Department of Public Service (by email)
Lea Ann Rosenthal, Department of Public Service (by email)



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Semi-annual Report on
POWER YOUR WAY
(Retail Access Report)

A Report to the Staff of the
New York State
Public Service Commission

January 31, 2007

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Introduction

Pursuant to Section G (1) of the Joint Proposal adopted by order of the Public Service Commission (“Commission”) (issued September 27, 2004) in Cases 03-G-1671 et al. and Section F (9) of the Joint Proposal adopted by the Commission Order in Case 04-E-0572 (issued March 24, 2005), Con Edison submits this Report that summarizes the Company’s (i) Power *Your Way* Promotional overview activities and expenditures during the period of July 1, 2006 through December 31, 2006; (ii) Competition Outreach and Education activities and expenditures for that same period; (iii) planned activities and expenditures for Promotional and for Outreach and Education endeavors for the January 1 to June 30, 2007 period; and (iv) gas and electric customer migration data.

I. Summary of Promotional Activities and Expenditures

A. Components of the Promotional Activities

- Power*Move* bill inserts were sent to all eligible full-service customers twice between July and December.
- On November 14, 2006, our fourth Market Expo was held at Maestro’s Catering in the Bronx. The Expo was co-sponsored by Con Edison, South Bronx Overall Economic Development Corporation (SoBRO), the South Bronx Board of Trade (SBBT), and the Bronx Overall Economic Development Corporation (B.O.E.D.C.). Billed as “Strategies for Energy Savings”, 10 ESCOs, PSC Staff, and NYSERDA staffed exhibits. The event keynote speaker was Bronx Borough President Adolfo Carrion. In addition, the event featured presentations by Alice Miller (PSC Staff) and Charles Reed (Con Edison). The attendance was 50 people.
- In October, all full-service residential electric and gas heating and commercial gas customers received a 6”x9” color postcard promoting Power*Move*.
- Prior to the receipt of the first bill printed on larger paper stock (1st stage of our bill redesign project), every customer was mailed a 6”x9” color postcard which informed them of the format change.

B. Expenditures on Promotional Activities

Gas Rate Year (10/1/05 – 9/30/06) Promotional

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Spent Prior to 6/30/06	Funds Spent 7/1 to 9/30/06	Funds Remaining *
\$1,791,623	\$273,677	\$71,568	\$1,446,378

* Unspent funds carried over into the next rate year budget.

Gas Rate Year (10/1/06 – 9/30/07) Promotional

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Funds Spent 10/1 to 12/31/06	Funds Remaining
\$2,446,378	\$1,080,263	\$1,366,115

Electric Rate Year (4/1/06 – 3/31/07) Promotional

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Spent Prior to 6/30/06	Funds Spent 7/1 to 12/31/06	Funds Remaining
\$1,062,703	\$699,564	\$125,998	\$237,141

II. Summary of Competition Outreach and Education

A. Components of the Awareness and Education Program

For The Public:

- Power *Your Way* was promoted via print ads in 9 trade periodicals focusing on co-ops/condo boards/realty managers and small businesses from July through December 2006.
 - Co-ops/condo boards/realty managers – *The Cooperator*; *Habitat Magazine*; *Real Estate NY*; *ABO Developments*; *Real Estate Weekly*; *The Real Deal* and *City Feet Magazine*.
 - Small businesses – *NY Enterprise Report*; and *Total Food Service*.
- Through a sponsorship with the New York Yankees, the second Power *Your Way*-sponsored game was held on Friday, September 29th. The first 18,000 adults entering the Stadium received a light-up baseball Power *Your Way* key chain. The sponsorship includes advertising on the YES-TV network in the weeks prior to the event; program ads during the game; and ads in the monthly *Yankee Magazine* from April through June and the 2006 Yankee yearbook.
- In addition to the November Market Expo and the Yankee sponsorship, the Company's Power *Your Way* personnel staffed an exhibit and/or presented to the audience at 13 events from July through December:
 - Fordham Renaissance Fair (September 10) on Fordham Road, Bronx.
 - Westchester County Small Resource Fair (September 15) at the Westchester County Center, White Plains.
 - International Economic Development Council (IEDC) Annual Conference (September 17 - 19) at the Marriott Marquis, Manhattan.
 - NY Area Realty Managers (NYARM) Real Estate Expo (September 27) at the Hotel Pennsylvania, Manhattan. 4 ESCOs staffed their own exhibits at the event.
 - Westchester Fall Home Show (September 30 – October 1) at the Westchester County Center, White Plains.
 - Yonkers Riverfest (September 30) at Getty Square, Yonkers.
 - Westchester Fall Home & Garden Show (October 13 - 15) at SUNY Purchase, Westchester.

- Southwest Brooklyn Industrial Development Corp. Energy Fair (October 25) at Pier 41, Red Hook, Brooklyn. PSC Staff and Con Edison addressed the attendees. 7 ESCOs participated in the event.
- Council of NYC Cooperatives & Condominiums (CNYC) & Habitat Magazine Co-op Condo Expo (November 12) at Baruch College, Lexington Avenue & 23rd St., Manhattan. Two ESCOs had their own exhibits at the event.
- Long Island City Business Development Corp. (LICBDC) Annual Trade Expo (November 15) at Terrace on the Park, Flushing Meadows, Queens.
- WCBS Radio NY Expo for Business (November 29) at the Javits Center, Manhattan. 6 ESCOs participated in this event.

For Customers:

- Conducted a six-week (November – January) *PowerMove* print ad campaign in 2 major dailies (Westchester Journal and the Staten Island Advance); 25 weekly community/ethnic papers and 2 editions of Westchester Living, a direct mail publication to Westchester home owners.
- Established a hyperlink on www.PowerYourWay.com for customers to enroll in *PowerMove*.
- Established a dedicated *PowerMove* toll-free number for customer enrollment.
- Developed a more user-friendly version of www.PowerYourWay.com with *PowerMove* as the prominent feature. Launch date expected in spring 2007.
- Offered messages about *Power Your Way* offered on our toll-free customer service number for customers waiting to speak with a customer service representative.
- Included information about *Power Your Way* and *PowerMove*, in *Customer News*, the Company's bi-monthly bill insert/newsletter, and *Spotlight*, the semi-annual newsletter for seniors.
- Updated ESCO lists were published and mailed to customers at their request. The lists were also distributed at presentations and events throughout the service area.
- Continued to identify *Power Your Way* as a Con Edison program by using the Con Edison logo with the PYW logo on all advertisement, print ads, website, etc.
- Supported a *Power Your Way* education/marketing video FAQ (frequently asked questions) available on Habitat Magazine's web site (www.habitatmag.com).

For Employees:

- Developed a web-based learning tool for all Con Edison employees to help them better understand *Power Your Way* and *PowerMove*. Launch date expected in spring 2007.
- Distributed *Power Your Way/PowerMove* talking points to enhance inter-departmental partnerships to better understand what and how these programs work.

- Presented an overview of Power *Your Way* and Power*Move* to all initial training courses for customer service representatives and customer field representatives.
- Published and distributed to customer contact employees Power *Your Way* QuickTips information bulletins conveying pertinent information.

For the ESCOs:

- Published 12 ESCO Newsletters from July through December to keep the ESCOs informed of commodity prices adjustments, policy/procedures changes, announcements of meetings, updates to the web sites, and Power *Your Way* marketing opportunities.
- Promoted and maintained the Market Match feature on www.PowerYourWay.com.

B. Expenditures on the Awareness and Education Program

Gas Rate Year (10/1/05 – 9/30/2006) Outreach/Education

	Rate Year Allocation	Categories	Spent Prior to 6/30/06	Funds Spent 7/1 to 9/30/06	Funds Remaining
1A	Marketing Research	\$175,000	\$38,125	\$56,500	\$80,375
1B	Public Information	\$685,000	\$345,817	\$268,209	\$70,974
1C	Customer Contacts	\$300,000	\$17,462	\$279,556	\$2,982
1D	Administration	\$100,000	\$75,000	\$25,000	\$0
	TOTAL	\$1,260,000	\$476,404	\$629,265	\$154,331

Gas Rate Year (10/1/06 – 9/30/2007) Outreach/Education

	Rate Year Allocation	Categories	Funds Spent 10/1 to 12/31/06	Funds Remaining
1A	Marketing Research	\$175,000	\$0	\$175,000
1B	Public Information	\$685,000	\$7,356	\$677,644
1C	Customer Contacts	\$300,000	\$144	\$299,856
1D	Administration	\$100,000	\$25,000	\$75,000
	TOTAL	\$1,260,000	\$32,500	\$1,227,500

Electric Rate Year (4/1/06 – 3/31/07) Outreach/Education

Rate Year Allocation	Spent Prior to 6/30/06	Funds Spent 7/1 to 12/31/06	Funds Remaining
\$1,895,000	\$1,050,430	\$131,751	\$712,819

III. Planned Activities for January through June 2007

A. Promotional Activities and Expenditures

- Direct mail postcard to all customers announcing phase 2 (bridge bill) of our bill redesign.
- With DC Comics, finalize and publish a *Power Your Way* information document, formatted as a “*Daily Planet*” newspaper for distribution at all events.
- Promotional activities will be related to the defined program and will include, but not be limited to, print ads in major daily and community newspapers and a radio ad campaign.
- Conduct a Market Expo for electric commercial customers during the 2nd quarter.

Gas Rate Year (10/1/06 – 9/30/07)

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Spent Prior to 12/31/06	Expect to Use Jan - Jun 2007	Funds Remaining
\$2,446,378	\$1,080,263	\$1,100,000	\$266,115

Electric Rate Year (4/1/06 – 3/31/07)

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Spent Prior to 12/31/06	Expect to Use Jan - Mar 2007	Funds Remaining*
\$1,062,703	\$825,562	\$20,000	\$217,141

* Unspent funds will be forwarded into the next rate year budget

Electric Rate Year (4/1/07 – 3/31/08)

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Expect to Use Apr - Jun 2007	Funds Remaining
\$217,141	\$25,000	\$192,141

* \$0 funds allocated for promotion in Rate Year 3

B. Awareness and Education Activities and Expenditures

- In April, send all customers a bill insert informing customer how they can purchase green power from an ESCO.
- Continue to support *PowerMove* advertising via customer bill inserts, print ads in daily and community newspapers and direct mail postcards to targeted customer niches.

- Continue monthly print ads in 6 publications targeting co-ops/condo boards/realty managers (*The Cooperator*; *Habitat Magazine*; *Real Estate NY*; *ABO Developments*; *Real Estate Weekly*; and *The Real Deal*) and in the 3 publications for small businesses (*NY Enterprise Report*; *Total Food Service* and *Crain's NY*).
- Continue sponsorship with the New York Yankees and the Staten Island Yankees.
- Conduct speaker forums at the Staten Island Economic Development Corp. Annual Conference (April 24), the *Cooperator* Co-op Condo Expo (April 25), and the Queens Chamber of Commerce Energy Symposium (April/May).
- Staff exhibits at the Greater NY Chamber of Commerce Small Business Fair (January 26) at the Madison Square Garden Atrium, Manhattan; Westchester Home & Garden Show (January 27 – 28) at Pace University, Pleasantville; the NYSERDA/Friends of Gateway Park Home Energy Fairs (January 27 and February 10) in Staten Island and Brooklyn; the Restaurant Show of NY (March 4 – 6) at the Javits Convention Center, Manhattan; the Westchester Spring Home & Garden Show (March 16 – 18) at SUNY Purchase; the Staten Island Chamber of Commerce Home Show (March 24 – 25) at the College of Staten Island; the Westchester Chamber of Commerce Business Mega Mixer (April 9) at the Tarrytown Marriott; the Queens Chamber of Commerce Annual Business Expo (May 17) at Terrace on the Green in Flushing Meadows, Queens; and the Buildings NY Show (June 27 – 28) at the Javits Center, Manhattan.
- Other appropriate events may be added to this schedule.

Gas Rate Year (10/1/06 – 9/30/2007) Outreach/Education

	Rate Year Allocation	Categories	Spent Prior to 12/31/06	Expect to Spend Jan - Jun 2007	Funds Remaining
1A	Marketing Research	\$175,000	\$0	\$70,000	\$105,000
1B	Public Information	\$685,000	\$7,356	\$275,000	\$402,644
1C	Customer Contacts	\$300,000	\$144	\$130,000	\$169,856
1D	Administration	\$100,000	\$25,000	\$50,000	\$25,000
	TOTAL	\$1,260,000	\$32,500	\$525,000	\$702,500

Electric Rate Year (4/1/06 – 3/31/07) Outreach/Education

Rate Year Allocation	Spent Prior to 12/31/06	Expect to Spend Jan - Mar 2007	Funds Remaining
\$1,895,000	\$1,182,181	\$712,819	\$0

Electric Rate Year (4/1/07 – 3/31/08)

Rate Year Allocation	Expect to Use April - Jun 2007	Funds Remaining
\$1,795,000	\$250,000	\$1,545,000

IV. Customer Migration Data

A. Gas Data

As of December 31, 2006, 40,484 eligible accounts have switched to ESCO supply service since October 1, 2004, the start of the current gas rate plan. For the purpose of the migration incentive, eligible accounts are limited to residential heating and non-residential gas accounts taking firm service that migrate to firm transportation service after September 30, 2004.

Number of Migrated Gas Accounts as of 12/31/06

As of 6/30/06	Jul	Aug	Sept	Oct	Nov	Dec	TOTAL
30,711	1,491	1,293	1,089	1,915	1,873	2,112	40,484

Applying the formula set forth in Section G.1.iii.e of the Joint Gas Proposal for counting residential multi-dwelling accounts, the above numbers of migrated accounts are treated, for purposes of the migration incentive, as the number of customers stated in the table below.

Equivalent Number of Migrated Gas Customers as of 12/31/06

As of 6/30/06	Jul	Aug	Sept	Oct	Nov	Dec	TOTAL
33,816	1,635	1,480	1,178	2,052	2,019	2,684	44,864

Con Edison has reached the minimum of 7,500 accounts to be awarded the migration incentive.

B. Electric Data

As of December 31, 2006, 378,187 accounts have switched to ESCO supply service since April 1, 2005, the start of the current electric rate plan.

Number of Migrated Electric Accounts as of 12/31/06

As of 6/30/06	Jul	Aug	Sept	Oct	Nov	Dec	TOTAL
215,921	17,543	26,493	31,569	29,583	27,171	29,907	378,187

Con Edison has reached the minimum of 25,000 accounts to be awarded the migration incentive.