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

STATEMENT OF THE OFFICE OF STATE ASSEMBLY MEMBER ZOHRAN K. MAMDANI IN OPPOSITION TO THE JOINT PROPOSAL

March 29, 2023

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STATEMENT IN OPPOSITION OF JOINT PROPOSAL

In accordance with the Ruling on Schedule issued by Administrative Law Judges ("ALJs") James A. Costello and Ashley Moreno on March 6, 2023, New York State Assembly Member Zohran K. Mamdani ("I") hereby submit this statement in opposition to the Joint Proposal that Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") filed on February 16, 2023.

THE COMMISSION SHOULD NOT APPROVE THE JOINT PROPOSAL.

I submit the following comments on the issues underlying my decision to oppose the Joint Proposal. The Joint Proposal includes a number of significant terms that, both individually and as part of the Joint Proposal considered as a whole, are markedly not in the public interest, including: the exorbitant bill impacts that result from this joint proposal for both gas and electric customers; proposed residential rate design, including increases to the rate of return on equity; proposed gas infrastructure investments; and the inadequacy of proposed programs to provide relief to low-income ratepayers and disadvantaged communities.

A. The Commission Should Not Approve the Increase to the Company's Residential Electric and Gas Customer Charges

In 2022, 411,694 Con Edison customers across NYC and Westchester County were already behind on their energy bills with an average debt of $1,989 per household. This is only set to increase with the exorbitant increases in this Joint Proposal.[1] According to the State Comptroller, New York City metro residents spent 32.7% more in energy costs in March 2021 than they did just a year prior.[2] Already, one in four constituent cases in my office are related to Con Edison billing and affordability. 4,849 comments have been submitted by ConEd customers have been filed in the docket of this rate case: many of them expressing an inability to continue

[1]https://www.thecity.nyc/economy/2022/2/17/22940015/utility-debt-mounting-for-new-yorkers-looking-for-current-help
[2] https://www.osc.state.ny.us/reports/inflation-new-york-city-metropolitan-area

paying such high bills.[3] Nearly 100 Astoria residents attended a town hall my office held last fall, sharing their stories of how a rate hike would impact them.[4] New Yorkers have spoken: the commission should not approve a rate increase.

Working people across our city, including my constituents, are already struggling with the increasing cost of living across food, housing, and energy, while wages stay the same. The role of a state regulatory process like this one should be to stand against increases to energy bills – especially exorbitant increases to fixed delivery charges, which are economically regressive and hit low-income New Yorkers hardest.

B. The Commission Should Not Approve Planned Gas Capital Expenditures in the Joint Proposal.

Con Edison's filings make clear that the Company intends to spend significant sums expanding the gas system, which flies in the face of the emissions reductions mandated in the Climate Leadership and Community Protection Act (CLCPA) and is contrary to the goals and provisions of REV, New York's Green New Deal, and the New York State Energy Plan. All of the climate and energy measures and targets adopted in New York to date provide a clear directive to the Commission that it must oversee a fundamental shift away from the use of all fossil fuels, including gas. The State's climate and energy laws and plans require radical *cuts* to gas consumption, not the significant increase in gas end uses proposed.

The Commission should reject all of the funds the Company is requesting for continued investment in fossil fuel infrastructure, including millions to extend the life of the Astoria Liquified Natural Gas ("LNG") Plant, the Queens Transmission Pipelines expansion, Westchester/Bronx Border to White Plains Pipeline, Bronx River Tunnel to Bronx Westchester Border Pipeline, East River Power Plant, Newtown Creek Gate Station, and Cortland Algonquin Gate Station.

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[3] https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=22-E-0064
[4] https://pix11.com/news/local-news/nyc-residents-hold-hearing-on-possible-con-edison-increases/

Approving funds for these projects would violate section 7(3) of the CLCPA and continue a legacy of environmental racism.

In some cases, including with regard to the scale of investments proposed in leak-prone pipes, Con Edison has not shown, and the Joint Proposal does not support the finding, that the Company's expansion projects and capital investments are prudent or necessary.

In the 2020 rate hike case, the Commission failed to protect the public and allowed the Company to spend significant sums on new fossil fuel infrastructure that did not comply with the CLCPA while also making large profits extending the life of its gas systems. This time, the Commission must do better to uphold the CLCPA and protect ratepayers from paying for building out further fossil fuel infrastructure.

C. The Commission Should Not Approve Any Increased Return on Equity for the Company in the Joint Proposal

The Company is asking for an unreasonable increase in profits for its shareholders through a return on equity ("ROE") of 9.25% compared to the recent average ROE in recent rate cases both before and during the pandemic of 9%. My constituents cannot afford to see their rates go up so that Con Edison can make excessive profits, especially at a time of corporate profiteering across industries which has made housing, food, and other costs skyrocket. The Commission should not accept such a proposal from the Company.

CONCLUSION

The terms of the Joint Proposal produce a result that is not in the public interest, and results in rates that are unjust and unreasonable. The provisions of the Joint Proposal protect the interests of the Company and its shareholders at the expense of its New Yorkers' near-term and long-term interests. In representing the over 130,000 hardworking people of Assembly District

36, many of whom have spoken loud and clear about the impacts this proposed joint proposal will have on their lives, I stand firmly in opposition to the joint proposal.

For the foregoing reasons, and because the Joint Proposal is demonstrably inconsistent with New York State law, including, but not limited to, the CLCPA, I ask that the Commission reject and not adopt the Joint Proposal.

Respectfully submitted,

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