

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.

NOTICE OF JOINT PROPOSAL AND
SOLICITING PUBLIC COMMENT

(Issued February 23, 2023)

PLEASE TAKE NOTICE that comments are sought concerning a Joint Proposal filed in the above-captioned proceedings on February 16, 2023. The Joint Proposal would establish new rate plans for Consolidated Edison Company of New York, Inc. (Con Edison or Company) for three years from January 1, 2023, with Rate Year 1 (RY1), Rate Year 2 (RY2), and Rate Year 3 (RY3) defined as the 12 months ending on December 31, 2023, December 31, 2024, and December 31, 2025, respectively. The signatories to the Joint Proposal are Con Edison, trial staff of the Department of Public Service, the City of New York, New York Energy Consumers Council, Inc., Consumer Power Advocates, New York Power Authority (electric rates only), Natural Resources Defense Council (electric rates only), New York Geothermal Energy Organization, Inc. (electric rates only), and Bob Wyman (electric rates only).

The Joint Proposal would provide for levelized increases in revenues for the Company's electric and gas delivery services. As levelized to moderate rate impacts on customers, the Joint Proposal would result in an increase in

electric delivery revenues of \$457.5 million for each rate year, with a cumulative total electric delivery bill revenue increase of 19.8 percent and total electric bill increase of 12.5 percent, and an increase in gas delivery revenues of \$187.2 million for each rate year, with a cumulative total gas delivery bill revenue increase of 31.3 percent and a total gas bill increase of 20.2 percent. The actual bill impacts of the proposed changes on specific customer classes would vary based upon revenue allocation and rate design.

The proposed revenue requirements reflect a common equity ratio of 48 percent, and a return on equity of 9.25 percent. The Joint Proposal includes earnings sharing mechanisms by which customers would share annual earnings that exceed 9.75 percent. The Joint Proposal continues the Company's Energy Affordability Program and proposes an updated discount program cost of \$166.3 million per year for the electric program and \$35.8 million per year for the gas program. The Company's electric reliability and gas safety performance metrics would continue, and Con Edison's customer performance mechanisms would include a new metric and negative revenue adjustment for long-term estimated and delayed customer billing. Among numerous other provisions, the Joint Proposal also addresses the replacement of leak prone pipe, the use of non-pipe and non-wires alternatives, the termination of gas marketing programs, and the development of alternative heating options, including ground- and air-sourced heat pumps.

The full text of the Joint Proposal, a summary of its key provisions prepared by Con Edison, and other filings in these proceedings may be reviewed online at the Department of Public Service web page by going to www.dps.ny.gov, clicking on "File Search" (located under the heading "Commission Files"),

and entering "22-E-0064" or "22-G-0065" in the "Search by Case Number" field.

The Commission may adopt, adopt with changes, or reject, in whole or in part, any of the terms of the Joint Proposal. The Commission also may adopt terms other than those proposed.

Comments on the Joint Proposal are requested by April 7, 2023, but will continue to be accepted while these cases remain pending before the Commission. Comments should refer to one or both of the following: "Case 22-E-0064 (Con Edison electric rates)" or "Case 22-G-0065 (Con Edison gas rates)."

Internet or Mail: Please go to www.dps.ny.gov, click on "File Search" (located under the heading "Commission Files"), enter case number "22-E-0064" or "22-G-0065" in the "Search by Case Number" field, and then click on "Post Comments" at the top of the page. Alternatively, comments may be mailed to the Hon. Michelle L. Phillips, Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350.

Written comments will become part of the record considered by the Commission and may be accessed on the Department of Public Service website by searching the case numbers, as described above, and clicking on the "Public Comments" tab.

Toll-Free Opinion Line: You may call the Commission's Opinion Line at 1-800-335-2120. This number is set up to receive comments about pending cases from in-State callers 24-hours a day. These comments are not transcribed verbatim, but a summary is provided to the Commission.

(SIGNED)

MICHELLE L. PHILLIPS
Secretary