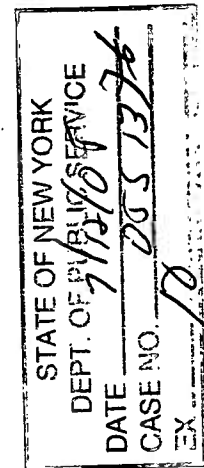


NYC ENERGY POLICY TASK FORCE
2006 STATUS REPORT

#	Recommendation	Category	Update 2006	Status
1	Support innovative means to finance appropriate electricity projects	Energy Supply	In April 2005, Con Edison began commercial operation of its state-of-the-art natural gas fired steam-electric generators at its East River Repowering Project (ERRP). The facility is capable of producing 3 million pounds of steam per hour and has an electric capacity of 288 MW. Its output allowed Con Edison to retire its Waterside plant south of the United Nations building. The former site of the Waterside plant is now part of a major mixed use redevelopment project.	Complete
			On December 31, 2005, the New York Power Authority (NYPA) commenced commercial operation of the 500 MW New Poletti combined cycle generating plant in Astoria, Queens. The project was developed by NYPA on behalf of the Southeast New York (SENY) governmental customers, which include the City of New York, New York City Housing Authority, MTA, and the Port Authority among others.	Complete
			Commercial production began in May 2006 for the new SCS Astoria Energy 500 MW state-of-the-art electric generating facility located in Astoria, Queens. The financing of this project was enabled by a 10-year power purchase agreement with Consolidated Edison Company of New York, Inc.	Complete
			As of April 2006, the City of New York and other Southeast New York governmental customers, through NYPA, are finalizing a 10-year renewable energy purchase for approximately 20 MW beginning in 2008 from Horizon Wind Energy LLC, which is developing wind farms in upstate New York.	Substantially Complete
			In spring 2005, NYPA, on behalf of the City of New York and other Southeast New York governmental customers, awarded multi-year, energy only, power purchase agreements starting in 2008 to Entergy Corporation and Morgan Stanley Capital Group Inc.	Complete
			In March 2005, NYPA, on behalf of the City of New York and other Southeast New York governmental customers, issued a Request for Proposal for 500 MW of new in-City capacity beginning as early as 2008. As of May 2006, NYPA is evaluating the proposals.	Substantially Complete
2	Advocate in Albany for the immediate passage of the Article X Power Plant Siting Law	Energy Supply	On January 19, 2006, EDC and the Energy Policy Task Force (EPTF) members held a roundtable of industry experts to discuss barriers to financing new power plants in New York City. In summer 2006, the Task Force will be crafting policy, regulatory, and legislative recommendations for the purpose of facilitating financing of new power plants in the City.	Substantially Complete
			The State Assembly and Senate both introduced legislative proposals in early 2006. EPTF members led by the City of New York and the Natural Resources Defense Council (NRDC) will continue to work with the Independent Power Producers of New York (IPPNY) and others to craft a compromise bill. However, the prospects for the passage of new siting legislation are uncertain at this time due to the magnitude of the differences between the two leading proposals.	Re -Launched
3	Facilitate appropriate siting of power plants and other energy facilities	Energy Supply	Con Edison, EDC and several other members of the EPTF are conducting a comprehensive steam plant production study that will examine the cost to produce steam for Con Edison rate payers and will explore repowering options for Con Edison steam plants. The results of Phase I of the study will be reported to the Public Service Commission (PSC) by summer 2006 subject to confidentiality rules.	Substantially Complete



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#	Recommendation	Category	Update 2006	Status
4	Support the development of appropriate transmission lines	Energy Supply	Con Edison is preparing to begin construction on a new 345 kV feeder from Sprain Brook, north of Yonkers, to the new Sherman Creek Switching Station in Upper Manhattan. The project will address significant load growth in the Bronx and Upper Manhattan, and increase the total transfer capability into the City by about 345 MW. The City of New York is providing support and working with Con Edison on siting issues and approvals for the feeder and switching station.	Launched
			Con Edison completed their "System Reliability Assurance Study" (SRAS) in December 2005. The study shows that New York City and Long Island will not need new resources until 2012, and possibly as late as 2014 depending on the success of demand-side initiatives adopted by the PSC. The study indicates that Distributed Resources and new transmission capacity may be cost-effective methods to meet future requirements. The study may be viewed at - http://www.nycedc.com/Business_Incentives/Energy/srasreportdec2005.pdf	Complete
			The 2005 Energy Policy Act requires the Federal Energy Regulatory Commission (FERC) to create national mandatory electric reliability standards. The City of New York and other EPTF members were successful in securing language in the Act that preserves New York State's right to set reliability standards that are more stringent than those for the rest of the country. In 2006, the City of New York and other EPTF members will continue to work with FERC in the implementation of those standards.	Complete
			The City of New York, Con Edison, and several other members of the EPTF are participating in and supporting the New York Independent System Operator's (NYISO) ongoing Comprehensive Reliability Planning Process. The purpose of the planning process is to determine future New York State electric reliability needs and to request market-based solutions, including alternative regulated solutions, as well as backstop solutions from the responsible transmission owners to meet the identified reliability needs.	Substantially Complete
			In March 2006, the City of New York publicly urged the federal Department of Energy to designate a New Jersey to New York City electric transmission priority pathway as a National Interest Electricity Transmission Corridor (NIETC). Such a designation would serve as a means of reducing regulatory uncertainty for developers of transmission facilities. In addition, the City of New York has recently taken steps to encourage the FERC to help create incentives that will facilitate investment in new transmission lines.	Launched
5	Support diversity of fuel supply	Energy Supply	Broadwater Energy filed an application with FERC in January 2006 for the construction of a proposed liquefied natural gas facility in Long Island Sound. Several members of the EPTF have intervened in the FERC proceeding.	Launched
			EPTF member KeySpan Energy has taken an equity interest in the Millennium Pipeline that is projected to reach New York City in its second phase of development. In August 2005, Millennium Pipeline Company filed an application with the Federal Energy Regulatory Commission (FERC) to allow it to initiate Phase I of construction from Corning to Ramapo, New York. The application is currently under review at FERC.	Launched

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#	Recommendation	Category	Update 2006	Status
6	Energy Efficiency - Support increased investment in energy efficiency	Distributed Resources	The Con Edison Electric rate case settlement, approved by the PSC in March 2005, includes authorization for Con Edison ratepayers to contribute up to \$224 million over a three-year period in order to achieve 300 MW of demand reduction, in addition to 300 MW projected by NYISERDA from System Benefits Charge III, and an additional 75 MW from NYISO and Con Edison load relief programs, for a total goal of 675 MW of Distributed Resources, which includes energy efficiency, demand response, and clean on-site generation. The Demand Management Action Plan was approved by the Commission in March 2006. The PSC Order may be viewed at - http://www.nycedc.com/Business_Incentives/Energy/PSCOrderMar2006.pdf	Complete
			With the support of the City of New York and the other EPTF members, the Public Service Commission approved a 5-year extension of the SBC program at its December 2005 session. The SBC program is administered by the New York State Energy Research and Development Authority (NYISERDA) and serves as the primary public funding mechanism in New York for Distributed Resources. The 5-year extension, which begins in July 2006, includes an increase in annual state-wide funding to \$175 million as well as an increased focus on peak load reduction programs, green building design, and low-income programs. The PSC's Order approving the extension may be viewed at - http://www.dps.state.ny.us/sbc.htm	Complete
			Five million dollars was set aside in the Con Edison Gas & Steam rate case approved in 2004 for a new gas efficiency three-year pilot program. The pilot also includes a gas efficiency potential study that was completed in May 2006. Through its role on the Con Edison Gas Efficiency Advisory Group, the City of New York and other EPTF members will continue to advocate for the creation of a permanent comprehensive gas efficiency program.	Substantially Complete
7	Energy Efficiency - Support legislation and regulatory rule-making to set and/or enhance appliance standards and targeted incentives at the state and federal levels	Distributed Resources	The City of New York, NRDC, Con Edison and other EPTF members were successful in advocating for the passage of the "New York State Appliance and Equipment Energy Efficiency Standards Act of 2005," which was signed into law by Governor Pataki in July 2005. The bill gives the New York Department of State and NYISERDA the authority to promulgate energy efficiency performance standards for four categories of new appliances and equipment sold in New York that are not presently regulated. The four categories are: incandescent reflector lamps, metal halide lamp fixtures, power supplies, and consumer audio and visual products.	Complete
			The City of New York and other EPTF members are serving on the New York State Appliance Efficiency Standards Advisory Group convened by NYISERDA and the New York Department of State as required by the Appliance and Equipment Energy Efficiency Standards Act. The Advisory Group will be creating New York-specific energy efficiency standards for the four categories of equipment and appliances identified in the law. The standards are scheduled to be released for public comment by late summer 2006.	Launched
			The City of New York joined several state Attorneys General in bringing a legal action against the U.S. Department of Energy (DOE) for not complying with the 1992 federal Energy Policy and Conservation Act. The Act requires DOE to create and update energy efficiency standards for specified consumer and commercial product categories. As of 2005, DOE was behind schedule by more than 12 years in implementing standards on certain products. The purpose of the legal action is to create a court ordered schedule for the rule making of these standards.	Launched

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#	Recommendation	Category	Update 2006	Status
8	Fuel Switching and Thermal Energy Storage - Determine the necessary types and levels of direct incentives required to overcome the initial cost barrier of installing steam and gas chiller and thermal storage systems	Distributed Resources	The Con Edison Electric rate case settlement, approved by the PSC in March 2005, includes authorization for Con Edison ratepayers to contribute up to \$224 million over a three-year period in order to achieve 300 MW of demand reduction, in addition to 300 MW projected by NYSEDA from SBC III, and an additional 75 MW from NYISO and Con Edison load relief programs, for a total goal of 675 MW of Distributed Resources, which includes energy efficiency, demand response, and clean on-site generation. The Demand Management Action Plan was approved by the Commission in March 2006. The PSC Order may be viewed at - http://www.nycedc.com/Business_Incentives/Energy/PSCOrderMar2006.pdf	Complete
			The City of New York and Con Edison are collaborating to develop and to advocate for the passage by the State Legislature of a steam Energy Cost Savings Program (ECSP) in 2006. In addition, the City of New York is working on the implementation of enhanced Con Edison Steam system incentives for increased use of steam cooling as a means of reducing peak demand on the electrical grid.	Launched
			The Con Edison Gas & Steam rate case settlement approved by the PSC in 2004 provides for Con Edison, in coordination with EDC and the PSC, and with input from NYSEDA and City agencies, to develop Energy Infrastructure Master Plans for major redevelopment zones. Phase I, which analyzed Hudson Yards and Lower Manhattan, was completed in September 2005. Phase II, analyzing Greenpoint/Williamsburg and Downtown Brooklyn, is expected to be completed in fall 2006. The Phase I plans may be viewed at - http://www.nycedc.com/enewsletter/documents/EIMPR1.pdf . These plans include estimates of the infrastructure cost savings under two Distributed Resources investment scenarios: the first in which Distributed Resources reduce peak electric demand by 10 percent, and the second in which Distributed Resources reduce demand by 40 percent.	Complete
9	Clean On-Site Generation - Support Con Edison in obtaining full cost recovery from the Public Service Commission for investments needed to mitigate high levels of fault current in the electric distribution system	Distributed Resources	As of summer 2005, Con Edison provides a map to interested on-site generation parties that shows which electric distribution network areas are impacted by substation circuit breaker fault current limitations and when the constrained substations are scheduled for upgrades. Certain types of clean onsite generators require additional protection equipment to interconnect in networks with fault current constraints. The map and upgrade schedule, which will be updated biannually, are available on the Con Edison distributed generation web site at - www.coned.com/dg	Complete
			The Con Edison Electric rate case settlement, approved by the PSC in March 2005, sets yearly targets for upgrading substation circuit breakers with serious fault current issues, and provides for full cost recovery for any investments that Con Edison makes on these upgrades. In the 12 months prior to March 31, 2006, Con Edison replaced 113 over-duty circuit breakers.	Ongoing
			In coordination with the City of New York and other EPTF members, Con Edison contracted with an independent engineering firm in summer 2005 to analyze and propose solutions to the problem Con Edison has with overduty breakers in its substations. The study was completed and filed with the PSC in December 2005. The study found that the fault current arises primarily from the nature of Con Edison's network electric system, which is designed to provide increased reliability. Con Edison is currently working with the PSC and EPTF members in reviewing the recommendations and determining how to incorporate them into its current breaker replacement program. The study may be viewed at - http://www.nycedc.com/Business_Incentives/Energy/conedfaultdec2005.pdf	Complete

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#	Recommendation	Category	Update 2006	Status
10	Clean On-Site Generation - Support the use of clean on-site generation systems	Distributed Resources	The Con Edison Electric rate case settlement set a three-year target of 675 MW of Distributed Resources, which includes clean on-site generation. The implementation plans for the initiative were approved by the PSC in their March 2006 session. The initial clean on-site generation incentive programs are expected to be released in early summer 2006.	Complete
11	Clean On-Site Generation - Adopt a standardized and streamlined grid interconnection review and approval process for clean on-site generation systems	Distributed Resources	The Con Edison Electric rate case settlement includes an expansion of New York State's Standardized Interconnection Requirements (SIR) for the application process and timelines for customers proposing on-site generators up to 5 MW in capacity. The new timelines took effect in April 2005.	Complete
			To help overcome problems that are unique to the Con Edison electric network distribution system, the Con Edison electric rate case settlement, approved by the PSC in March 2005, established new biannual reporting requirements for Con Edison with regard to the on-site generation interconnection application process - such as timelines, type of systems being installed, etc. Con Edison submitted its second biannual report in March 2006. The report provided the status of 86 current interconnection applications in the Con Edison territory. The semi-annual status report from December 2005 may be viewed at - http://www.nycedc.com/Business_Incentives/Energy/semiannualfeb2006.pdf	Ongoing
12	Peak Load Management - Expand the use of limited exceptions to air emission limits during wholesale market capacity and local grid emergency conditions	Distributed Resources	The City of New York, NY Energy Consumers Council, Consumer Power Advocates, NRDC, and other EPTF members are working with the New York State Department of Environmental Conservation to craft emissions rules that would allow emergency generators to participate in reliability-based demand response programs. The rule is expected to be released for public comment in summer 2006.	Substantially Complete
13	Peak Load Management - Collaborate with the Partnership For New York City and the Real Estate	Distributed Resources	The summer of 2006 will mark the sixth successful year for the Summer Energy Program of the Partnership for New York and the Real Estate Board of New York.	Ongoing
14	Peak Load Management - Support incentives for peak load management enabling technologies	Distributed Resources	The Con Edison Electric rate case settlement, approved by the PSC in March 2005, includes authorization for Con Edison ratepayers to contribute up to \$224 million over a three-year period in order to achieve 300 MW of demand reduction, in addition to 300 MW projected by NYISERDA from SBC III, and an additional 75 MW from NYISO and Con Edison load relief programs, for a total goal of 675 MW of Distributed Resources, which includes energy efficiency, demand response, and clean on-site generation. The Demand Management Action Plan was approved by the Commission in March 2006. The PSC Order may be viewed at - http://www.nycedc.com/Business_Incentives/Energy/PSCOrderMar2006.pdf	Complete
			The City of New York and other EPTF members supported the adoption of mandatory real-time pricing (RTP) for large electric customers, which was approved by the PSC in September 2005. The new hourly real-time rates will provide large electric customers with additional incentives to invest in measures that reduce their peak electric demand. Details on the new rates may be found on the PSC web site at - http://www.dps.state.ny.us/Mandatory_Hourly_Pricing.html	Complete
			The City of New York formed a Working Group in 2005 to foster the use of advanced meters and RTP alternatives for residential energy users. The Working Group is currently collaborating with the PSC, the Association for Energy Affordability, and Con Edison to address rate structure issues that create barriers to the growth of RTP applications. For 2006, the Working Group is seeking to expand RTP opportunities City-wide, and specifically to develop multi-family demonstration projects beyond the four projects funded by NYISERDA to date.	Ongoing

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#	Recommendation	Category	Update 2006	Status
15	Establish a collaborative capital infrastructure planning process between relevant city and state agencies and local utilities	Energy Delivery Infrastructure	The Con Edison Gas & Steam rate case settlement approved in 2004 provides for Con Edison, in coordination with EDC and the PSC, and with input from NYSERDA and City agencies, to develop and complete Energy Infrastructure Master Plans for major redevelopment zones. Phase I, which analyzed Hudson Yards and Lower Manhattan, was completed in September 2005. The Phase I plans may be viewed at - http://www.nycedc.com/enewsletter/documents/EIMPR1.pdf	Complete
			Phase II of the Energy Infrastructure Master Plans will cover Greenpoint/Williamsburg and Downtown Brooklyn. Phase II is expected to be completed in fall 2006.	In Progress
16	Support the expansion of targeted demand-side management (DSM) and clean distributed generation (clean DG) for grid support	Energy Delivery Infrastructure	The Con Edison Electric rate case settlement, approved by the PSC in March 2005, includes a three-year goal of 150 MW of energy efficiency and clean on-site generation to help relieve targeted constrained areas of the electric grid. The City of New York and other EPTF members provided input to the Con Edison implementation plan for the targeted load relief program. The PSC approved the implementation plan in March 2006 and Con Edison has released its first Request For Proposal for 123 MW in targeted networks in April 2006.	Complete
			The Con Edison Gas & Steam rate case settlement approved by the PSC in 2004 provides for Con Edison, in coordination with EDC and the PSC, and with input from NYSERDA and City agencies, to develop Energy Infrastructure Master Plans for major redevelopment zones. Phase I, which analyzed Hudson Yards and Lower Manhattan, was completed in September 2005. Phase II, analyzing Greenpoint/Williamsburg and Downtown Brooklyn, is expected to be completed in fall 2006. The Phase I plans may be viewed at - http://www.nycedc.com/enewsletter/documents/EIMPR1.pdf . These plans include estimates of the infrastructure cost savings under two Distributed Resources investment scenarios: the first in which Distributed Resources reduce peak electric demand by 10 percent, and the second in which Distributed Resources reduce demand by 40 percent.	Substantially Complete
17	Support the passage of joint bidding legislation to facilitate infrastructure projects	Energy Delivery Infrastructure	Joint-bidding legislation for the Lower Manhattan area, which was supported by the City of New York, was signed into law by Governor Pataki in 2004. The legislation provides for better coordination between multiple construction projects that affect the same sites, thus resulting in lower construction costs and reduced public inconvenience. The City of New York and EPTF members will evaluate the need for extending the legislation to cover other areas, and, if a need is identified, will create a legislative proposal and advocate for its passage.	Planning Stage
18	Create a special zoning or permit designation to allow utility facilities in targeted development areas	Energy Delivery Infrastructure	The Con Edison Gas & Steam rate case settlement approved by the PSC in 2004 provides for Con Edison, in coordination with EDC and the PSC, and with input from NYSERDA and City agencies, to develop Energy Infrastructure Master Plans for major redevelopment zones. The City of New York and Con Edison are working together to accommodate the infrastructure needs that were identified in the Energy Infrastructure Master Plans, as well as for other areas as the City's economic growth leads to greater demand for energy infrastructure. Phase I, which analyzed Hudson Yards and Lower Manhattan, was completed in September 2005. Phase II, analyzing Greenpoint/Williamsburg and Downtown Brooklyn, is expected to be completed in fall 2006. The Phase I plans may be viewed at - http://www.nycedc.com/enewsletter/documents/EIMPR1.pdf . These plans include estimates of the infrastructure cost savings under two Distributed Resources investment scenarios: the first in which Distributed Resources reduce peak electric demand by 10 percent, and the second in which Distributed Resources reduce demand by 40 percent.	Ongoing

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#	Recommendation	Category	Update 2006	Status
19	Ensure that utilities and other energy project developers have access to public and private New York City docks	Energy Delivery Infrastructure	The City of New York currently has long-term leases with Con Edison for barge access to piers at 14th Street on the East River and the foot of Gold Street in Brooklyn. The City of New York will continue to work with utilities and merchant energy developers to provide barge access to public piers for construction and maintenance of their energy facilities.	Ongoing
20	Energy Efficiency - Enhance and augment the City's menu of energy efficiency programs	NYC - Leading by Example	Program achievements in fiscal year 2006 include the completion of a new master contract for energy efficiency and clean energy technology projects under the Energy Cost Reduction (ENCORE) program with the New York Power Authority (NYPA). The City of New York also has established an agreement with NYPA, in certain electric load areas, that will enable City participation in the Con Edison Targeted Demand Side Management program through ENCORE. Fiscal year goal of initiating 30 energy efficiency and clean energy technology projects is 67 percent achieved. Projects installed or near completion include photovoltaic demonstrations projects at Bronx High School of Science and Queens Hall of Science; and major energy efficiency upgrades at Lincoln and Coney Island Hospitals.	Ongoing
			The City of New York is working with EPTF members on developing educational resources that promote energy efficiency best practices for facility managers to reduce energy demand. The City's Department of Citywide Administrative Service's Office of Energy Conservation (DCAS-OEC) held workshops to introduce Con Edison's Demand Monitoring Software (enabling near-real-time viewing of large electricity loads) to facility managers in 10 agencies. Also, the City's Office of Environmental Coordination introduced a new educational newsletter for facility managers. Finally, the City's Department of Design and Construction (DDC) held its eighth of nine workshops in April 2006 for facilities managers on sustainable design.	Ongoing
21	Strategic Energy Planning - Create a City energy efficiency plan	NYC - Leading by Example	Recent activities undertaken towards the creation of a long-term energy efficiency plan include: (a) improved delivery of energy cost and usage reports to agencies; (b) establishment of contractual framework to achieve cost-effective baseline energy savings through energy efficiency projects; and (c) completed initial survey of the 200 largest energy consuming facilities accounting for 60 percent of the City of New York's energy costs. (Survey results show at least 30 percent of non-process facilities have had partial or full energy efficiency upgrades in the past decade; follow-up audits to the initial survey at four sites resulted in two projects.)	Ongoing
			The City University of New York (CUNY) in 2004 began a pilot Internet metering system at the College of Staten Island to make real-time pricing data available over the Internet. The installation is complete at Staten Island and work is being completed at the Graduate Center. Four more campuses have been funded and CUNY will start work shortly. In addition, CUNY is working on an incentive program for campuses that would allow each campus to receive a proportion of the savings generated from energy efficiency measures.	Substantially Complete
			The City of New York is currently working on a broad-based energy management plan to improve the energy efficiency of its buildings as well as promote the use of renewable energy, peak load management, and smart metering. The plan will be finalized in the second half of 2006.	Launched

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#	Recommendation	Category	Update 2006	Status
22	Strategic Energy Planning - Develop pilot energy educational programs	NYC - Leading by Example	The Economic Development Corporation (EDC) has facilitated the inclusion of 150 City teachers into training for the Energy Smart Students Program, a statewide energy-efficiency education program for K- 12 classroom teachers sponsored by NYSERDA and the New York Energy \$mart™ Program. The Energy Smart Students Program, in partnership with the National Energy Education Development (NEED) Project, provides free curriculum materials and training for this statewide program. EDC is in the process of planning the next training workshop to be held in fall 2006.	Ongoing
23	Strategic Energy Planning - Tie economic development assistance to energy efficiency	NYC - Leading by Example	As part of the Steam Business Development Task Force initiative, EDC will be requiring future customers to install steam chillers (where Con Edison steam is available) in order to qualify for the electric Business Incentive Rate (BIR). The Steam Business Development Task Force report may be viewed at - http://www.nycedc.com/Business_Incentives/Energy/steambusplanaug2005.pdf	In Progress
			In December 2005, the Mayor signed Local Law 107 of 2005, which requires future recipients of J-51 and 421-A City of New York benefits to purchase Energy Star appliances whenever purchasing new appliances.	Complete
			EDC has hired a consultant to review and analyze the City of New York's existing economic development incentives. In conjunction with that process, EDC is specifically analyzing the City's energy discount programs to determine how they can better encourage investments in energy efficiency. The analysis is scheduled to be completed in the fall 2006.	Launched
			Starting in 2006, EDC is incorporating standardized green building language into all of its RFPs for private development on City of New York land. Green language was included in various RFPs during 2004-5, including Flushing's Municipal Lot One, which will be a 1.3 million square foot mixed use development. To date, EDC is involved with over \$2.5 billion worth of green construction accounting for over 8 million square feet of new construction projects.	Complete
24	Fuel Switching and Thermal Energy Storage - Expand the use of steam and gas chillers and thermal energy storage systems where cost effective	NYC - Leading by Example	City of New York facilities that have completed installation of non-electric or hybrid chillers include: Bronx Criminal Court Complex, PDNY 33rd Precinct, Brooklyn Conservatory of Music, Beach Channel Daycare Center, and Kings Highway Branch of the Brooklyn Public Library. Non-electric chillers reduce peak electric demand on the grid.	Complete
			The Rikers Island prison facility is in the design phase of a steam chilling system.	Launched
25	Clean On-Site Generation - Include clean on-site generation strategies as part of a least-cost resource plan to supply the electricity needs of City agencies.	NYC - Leading by Example	Terms of the long-term electricity supply agreement between NYPA and the City of New York include support for various Distributed Resources, including clean on-site generation, so long as Southeast New York governmental customers provide NYPA with a one-year notice of start-up date. The agreement was finalized in July 2005.	Complete
			The City of New York recently installed two solar photovoltaic (PV) systems at the Bronx High School of Science [35 kW] and the NY Hall of Science in Queens [15 kW]. It is currently installing systems on two public schools in Staten Island. In addition, CUNY plans to install a system [100 kW] at its LaGuardia Campus in Long Island City, and EDC is in the planning process with the Department of Education for more installations in the Long Island City area. Installation of a system at the Queens Botanical Garden Administration Building [15 kW] was completed in the spring of 2006 and installation is planned at the Brooklyn Children's Museum [20 kW] to be installed in the fall of 2006.	Ongoing

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26	Peak Load Management - Seek direct incentives and low-cost financing for peak load management enabling technologies	NYC - Leading by Example	The City of New York and NYPA will continue to collaborate on the Peak Load Management (PLM) program for City of New York facilities. The City of New York encourages participation in the PLM program through outreach to agencies and acts as an information clearinghouse for program management. In 2006, the program has 49 facilities enrolled for a total capacity of almost 22 MW.	Ongoing
			Terms of the long-term electricity supply contract between NYPA and the City of New York expanded low-cost financing for investments in peak load management projects. The contract was completed in July 2005.	Complete
27	High-Performance Building Design - Incorporate cost-effective high-performance design strategies into City-led projects for long-term value	NYC - Leading by Example	In October 2005, the Mayor signed Local Law 86 of 2005, ("the green building law"), which sets green building standards for certain capital projects. This legislation will affect approximately \$12 billion in construction over the City of New York's 10-year capital plan. The law requires most new and substantially renovated City of New York buildings costing more than \$2 million to be built according to the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) green building standard or other equally stringent standards. The bill also includes energy efficiency and water efficiency standards, such as requiring projects that cost more than \$12 million to reduce energy use by 20 percent beyond what is required under the State Energy Conservation Code. City of New York agencies and EDC will be developing the implementation guidelines throughout 2006.	Complete
			The City of New York is working with City Council and NYSERDA on NYC-specific supplements to the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, which will apply to both public and private developments. The supplements are expected to be completed by fall 2006.	Substantially Complete
			Of the 31 pilot projects under the Department of Design and Construction's High Performance Building Guidelines, representing \$1 billion in construction value: 5 are completed, 6 projects are in construction, 15 are in design and 5 are in pre-design. Fifteen projects (i.e. \$300 million worth of construction projects) are committed to receive a LEED rating.	Ongoing

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28	High-Performance Building Design - Partner with private sector New York City developers and the building community at large to promote the benefits of high-performance building design	NYC - Leading by Example	The Bank of America, Hearst Corporation, and Goldman Sachs' new construction projects received economic development incentives from EDC and will be LEED rated green buildings.	Ongoing
			Beginning in 2006, EDC now incorporates standardized green building language into all of its RFP's for private development on City of New York land. In addition, Local Law 86 requires any private capital projects that are funded by the City of New York to follow the requirements of a LEED Silver rating, provided the City of New York is contributing at least \$10 million or 50 percent of the cost of the project.	Ongoing
			The Department of Housing Preservation and Development (HPD) is currently implementing the first phase of the High Performance Housing initiative with energy-efficiency specifications. The initiative is a NYSERDA-funded program that will rehabilitate all buildings in HPD's Neighborhood Redevelopment Program, Neighborhood Entrepreneurs Program, and Tenant Interim Lease program. Nine of HPD's multi-family new construction buildings are participating in NYSERDA's Energy Star Multi Family pilot, and the agency is working to incorporate green elements more broadly into new construction programs.	Launched

Key

CUNY	City University of New York
DCAS-OEC	New York City Department of Citywide Administrative Services - Office of Energy Conservation
DDC	New York City Department of Design and Construction
DSM	Demand Side Management
EDC	New York City Economic Development Corporation
ERRP	East River Repowering Project
HDC	New York City Housing Development Corporation
HPD	New York City Department of Housing Preservation and Development
IPPNY	Independent Power Producers of New York
kW	Kilowatt
LEED	Leadership in Energy and Environmental Design
MTA	Metropolitan Transportation Authority
MW	Megawatt
NEED	National Energy Educational Development
NRDC	Natural Resources Defense Council
NYCHA	New York City Housing Authority
NYISO	New York Independent System Operator
NYPA	New York Power Authority
NYSERDA	New York State Energy Research and Development Authority
OEC	New York City Office of Environmental Coordination
PLM	Peak Load Management
PV	Solar Photovoltaic
PSC	New York State Public Service Commission
REBNY	Real Estate Board of New York
RTP	Realtime Pricing
SBC	System Benefits Charge
SENY	Southeast New York
SIR	Standardized Interconnection Requirements

3

Company Name: Con Edison
Case Description: Request for Steam Rate Increase
Case: 05-S-1376

Response to Westchester Interrogatories – Set COW3
Date of Response: 05/22/2006

Question No. :18

Page 8, lines 1-11, using the same analysis that Con Edison used in the 1996 load pocket study for the purported East River load pocket, please provide the following: (a) identify the transmission lines that feed the load pocket. (b) state the rated capacity of the transmission lines in (a) above. (c) state the load pockets peak load. (d) identify the capacity generation resources within the load pocket.

Response:

(a) and (b): Table I immediately below identifies the transmission feeds into the East River load pocket and the capacity of said feeds, using normal summer ratings.

Table I – Transmission Feeds into East River Load Pocket

Transmission Path	Normal Summer Rating
Feeder 37041 / Phase Angle Regulator 111	91 MW
Feeder 37042 / Phase Angle Regulator 112	91 MW
Feeder 37043 / Phase Angle Regulator 113	91 MW
Feeder 37044 / Phase Angle Regulator 114	91 MW
Transformer 17 / Feeder 44371 *	245 MW
Transformer 9 / Feeder 44372 Stand-by Tie *	116 MW

* Feeder 44371 is normally in service. Feeder 44372 is normally out of service and serves as a stand-by. It is placed in service when 44371 is out of service.

(c): The question is overly broad in that it does not state a time frame for the peak load.

(d): Table II immediately below identifies the generation within the East River load pocket.

Table II – Generation in the East River Load Pocket

Unit	Summer Capacity
East River Unit 2	148 MW
East River Unit 6	127 MW
East River Unit 7	180 MW

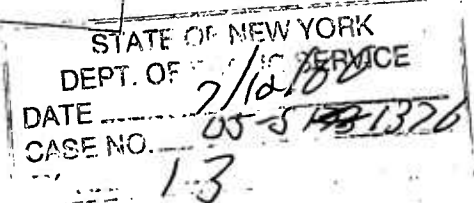
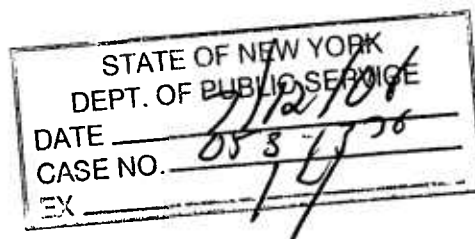


TABLE IV-1

As of April 1, 2005

ADDITIONS

OWNER / OPERATOR	STATION	UNIT	ZONE	DATE	CAPABILITY (kW)		UNIT TYPE
					SUMMER	WINTER	
<u>Projects Under Construction</u>							
Consolidated Edison of NY, Inc.	East River Repowering		J	7/1/2005	288000	288000	Combined Cycle
New York Power Authority	NYPA 500 MW Project		J	1/1/2006	500000	500000	Combined Cycle
SCS Energy, LLC	Astoria Energy (Phase 1)		J	4/1/2006	500000	500000	Combined Cycle
Calpine Eastern Corporation	Bethpage 3		K	5/1/2005	79900	79900	Combined Cycle
Pinelawn Power, LLC	Pinelawn Power I		K	5/1/2005	79900	79900	Combined Cycle
PSEG Power NY	Bethlehem Energy Center		ROS	7/1/2005	750000	750000	Combined Cycle
					2197800	2197800	
<u>Proposed Resource Additions</u>							
Calpine Eastern Corporation	JFK Expansion		J	6/1/2006	45000	45000	Combustion Turbine(s)
SCS Energy, LLC	Astoria Energy (Phase 2)		J	4/1/2007	500000	500000	Combined Cycle
PG&E/Liberty Generating Co., LLC	Liberty Generation		J	5/1/2007	400000	400000	Combined Cycle
Bay Energy, LLC	Bay Energy		J	6/1/2007	79900	79900	Combustion Turbine(s)
NYC Energy, LLC	Kent Avenue		J	6/1/2007	79900	79900	Combustion Turbine(s)
Fortistar, LLC	Fortistar VAN		J	7/1/2007	79900	79900	Combustion Turbine(s)
Fortistar, LLC	Fortistar VP		J	7/1/2007	79900	79900	Combustion Turbine(s)
PSEG Power In-City 1, LLC	Cross Hudson Project		J	7/1/2008	550000	550000	Combined Cycle
Reliant Energy NY	Astoria Repowering (Phase 1)		J	7/1/2010	540000	540000	Combined Cycle
Reliant Energy NY	Astoria Repowering (Phase 2)		J	9/1/2011	540000	540000	Combined Cycle
KeySpan Energy, Inc.	Spagnoli Road Energy		K	7/1/2008	250000	250000	Combined Cycle
American National Power	Brookhaven Energy Center		K	7/1/2009	580000	580000	Combined Cycle
Flat Rock Wind Power, LLC	Flat Rock Wind Power (Phase 1)	ROS	12/1/2005	200000	200000	200000	Wind Turbines
Global Winds Harvest Inc.	Prattsburgh Wind Park	ROS	7/1/2006	79500	79500	79500	Wind Turbines
Flat Rock Wind Power, LLC	Flat Rock Wind Power (Phase 2)	ROS	12/1/2006	100000	100000	100000	Wind Turbines
Besicorp-Empire Development Company, LLC	Empire State Newsprint	ROS	7/1/2007	660000	660000	660000	Combined Cycle
Lockport Merchant Associates, LLC	Lockport II Gen Station	ROS	7/1/2007	79900	79900	79900	Combustion Turbine(s)
Calpine Eastern Corporation	Wawayanda Energy Center	ROS	7/1/2008	540000	540000	540000	Combined Cycle
Mirant Corporation	Bowline Point 3	ROS	7/1/2008	750000	750000	750000	Combined Cycle
					6134000	6134000	
				Total	8331800	8331800	



Growing Rate Base and Solid Balance Sheet

(as of December 31, 2005)

Rate Base (\$ millions)

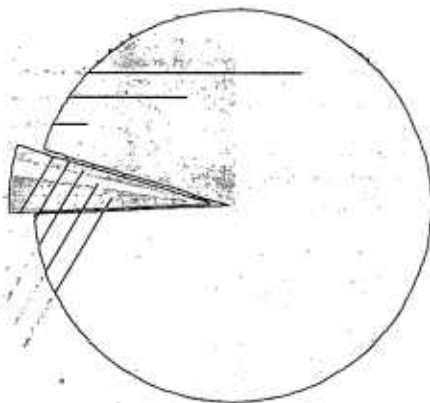
Con Edison of New York

Electric	\$ 9,589
Gas	\$ 2,088
Steam	\$ 1,074

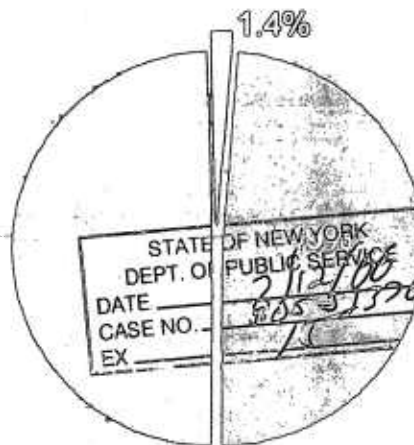
Orange and Rockland

Pike Gas	\$ 1
Pike Electric	\$ 8
Rockland Electric	\$ 129
O&R Gas	\$ 202
O&R Electric	\$ 363

Total Rate Base \$13,454



Cap Structure



- ☐ Long-Term Debt
- ☐ Preferred Stock
- ☐ Common Equity

STATE OF NEW YORK
DEPT. OF PUBLIC SERVICE
FILE NO. 7/15/06
CASE NO. 76
16

Steam System Plan

Con
Edison

April 15, 1998

3.2 Production

Con Edison maintains steam production capability sufficient to meet the forecasted peak load plus reserve to cover equipment outages. The total installed capacity on the steam system as of December 31, 1997 was 13,231,000 pounds per hour. This capacity consisted of steam-electric plants, steam-only plants, and capacity supplied under the Company's long term contract with the Brooklyn Navy Yard Cogeneration Partners, L.P. ("BNYCP").

3.2.1 Steam-Electric Units

The Waterside, 74th Street and East River stations generate both electricity and steam, and have a combined electric generating capacity of 487 MW. In these steam-electric units, high pressure boilers generate steam that is passed through topping turbines or extraction turbines to produce electricity. In topping turbines, steam from a boiler is first passed through a high pressure turbine before being sent to the steam distribution system. In extraction turbines, some of the steam is withdrawn from an intermediate stage in the turbine for steam sendout.

In 1997, about 56% of the steam distributed to Con Edison's customers was produced from steam-electric units (including BNYCP). At Waterside, three topping turbines (Units 6, 8 and 9), supply 2,300,000 pounds per hour of steam capacity to the system.

The 74th Street plant supplies 1,400,000 pounds per hour of steam capacity. It was originally owned by the Transit Authority and generates 25 Hz power for the subway system. The electric generation is scheduled for retirement after 1999 when the Transit

Authority plans to cease using 25 Hz power.⁶ The East River plant has two units with a total of 2,100,000 pounds per hour of steam capacity. Unit 6 utilizes an extraction turbine, and Unit 7 is capable of switching between steam and electric production.

3.2.2 Steam-Only Units

The Hudson Avenue, East River South, East 60th Street, Ravenswood "A" and 59th Street plants generate only steam. In addition, the 74th Street plant also contains a series of package boilers. While cogeneration of steam and electricity is more fuel efficient than separate electric and steam generation, live steam generation is also necessary for load following, pressure control and peaking duty. The steam-only units supply a total of 6,500,000 pounds per hour of steam capacity.

3.2.3 BNYCP Contract

In November 1996, the BNYCP cogeneration facility, located at the Brooklyn Navy Yard, became commercially available and began supplying electricity and steam to Con Edison under a 40-year agreement.⁷ The Company's original electric purchase agreements, executed in 1990 under the Commission-mandated electric resource bidding program, were amended in 1996 to also provide for the purchase of up to 850,000 pounds of steam per hour and to permit both steam and electricity to be produced as required by steam system or electric system needs.

⁶ The Company's agreement with the Transit Authority is contained in Appendix D of the electric settlement agreement (Case 96-E-0897).

⁷ Con Edison has an option to reduce the steam purchase obligations after 20 years if the Company's steam demand declines by a specified amount.