

Summary of CECONY Gas Rate Plan Provisions Relevant to Gas Long Term Planning Proceeding

August 10, 2023

Meeting logistics (Agenda, Q&A, etc.)



Consolidated Edison Corporation, Inc. (Con Edison) and Orange & Rockland Utilities, Inc. (O&R) (together, the Companies) filed their initial Gas System Long-Term Plan (GSLTP) on May 31, 2023. This afternoon's session reviews specific topics that have been requested.

Please use the "raise hand" feature of the meeting platform so that we know when there are questions to address. (We will answer questions in the order they are received.)

Agenda

- **Key Takeaways**
- **Supply/Demand Provisions**
- **Economic and Environmental Provisions**

Key Takeaways

- Recently approved CECONY Gas Rate Plan establishes a strong foundation for advancing goals of Gas Long-Term Planning proceeding and CLCPA
- Several provisions in the Gas Rate Plan either directly address or are closely related to issues we're addressing in the Gas Long-Term Planning proceeding
- Some of the commitments made by CECONY are unique to its Gas Rate Plan and exceed existing regulatory/statutory requirements

Supply/Demand Provisions

- Certified Natural Gas Pilot Program
 - Pilot program limited in scope and cost, with detailed reporting
 - Determine whether Certified Natural Gas can be used to reduce GHG emissions during transition to decarbonized gas system
- NPAs
 - Interim framework established pending Commission action in Gas Planning Proceeding
 - Attempt to develop NPA focused on gas service line replacements

Supply/Demand Provisions

- Gas Infrastructure Reduction or Replacement Program
 - Lower removal/replacement targets to recognize decreases in future gas use
 - Consider main at end of system or with small number of customers for electrification
 - Consider delays in work to facilitate electrification efforts
 - Specifically provides that LPP retired through NPAs count toward annual targets
- Enhanced RNG Reporting
 - Order directs Company to gather and report additional data to inform future discussions regarding ability of RNG to contribute toward CLCPA goals

Economic and Environmental Provisions

- Disadvantaged Communities
 - Detailed annual reporting in several key specified areas
 - Stakeholder meetings following the annual reporting provide opportunity for feedback
- Tariff Changes
 - Eliminates incentives to connect new gas customers through “concurrent connections”
 - Customers seeking gas service required to acknowledge they have been offered information on non-fossil alternatives and are aware of climate protection laws and regulations
 - Company may file petition seeking waiver of “100 ft. rule” and “revenue test”

Economic and Environmental Provisions

- Leak Management
 - More stringent targets for NRAs
 - Commitment to repair more leaks (including Type 3s) within specified periods to earn PRAs
- AMI-Enabled Natural Gas Detectors
 - On-site, real-time monitoring for gas leaks at customer premises
- Advanced Leak Detection
 - Use latest technology across entire service territory to identify and repair high emissions leaks

Economic and Environmental Provisions

- Eliminating Marketing for Natural Gas
 - Ceases marketing efforts encouraging conversion to natural gas
- Earnings Adjustment Mechanisms
 - Incentivizes building electrification
- Phase-out of Declining Block Rates
 - Incentivizes gas conservation

Questions?