



Con Edison Long Range Plan Outreach

A 20 Year Roadmap

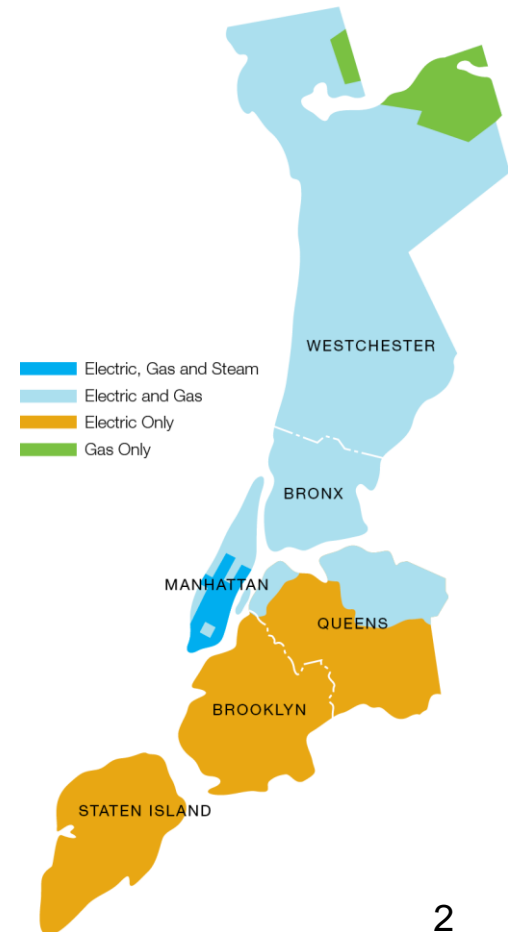
*Secure a Sustainable
Energy Future*

We are your energy provider

Our mission:

To provide energy services to our customers safely, reliably, efficiently, and in an environmentally sound manner

	Customers	Infrastructure	Service Territory
Electric	3.3 million	<ul style="list-style-type: none">• One of the largest underground systems in the world	<ul style="list-style-type: none">• All 5 boroughs and Westchester County
Gas	1.1 million	<ul style="list-style-type: none">• 4,333 miles of gas mains and services	<ul style="list-style-type: none">• 3 out of the 5 boroughs and Westchester County
Steam	1,760	<ul style="list-style-type: none">• Largest district steam system in the world	<ul style="list-style-type: none">• Manhattan below 96th Street



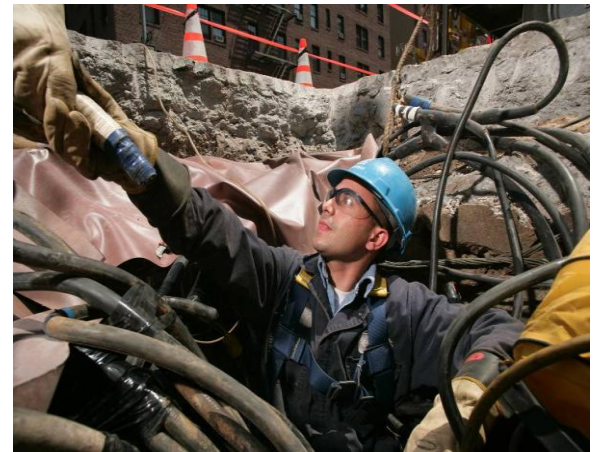
Reliable energy is a necessity

- Nine million New Yorkers rely on us each day
- Seven million people commute to NYC daily
- Forty five million tourists visit our city annually
- There are ~6 million AC's and ~4 million refrigerators in our service territory
- Homes and businesses require constant access to energy



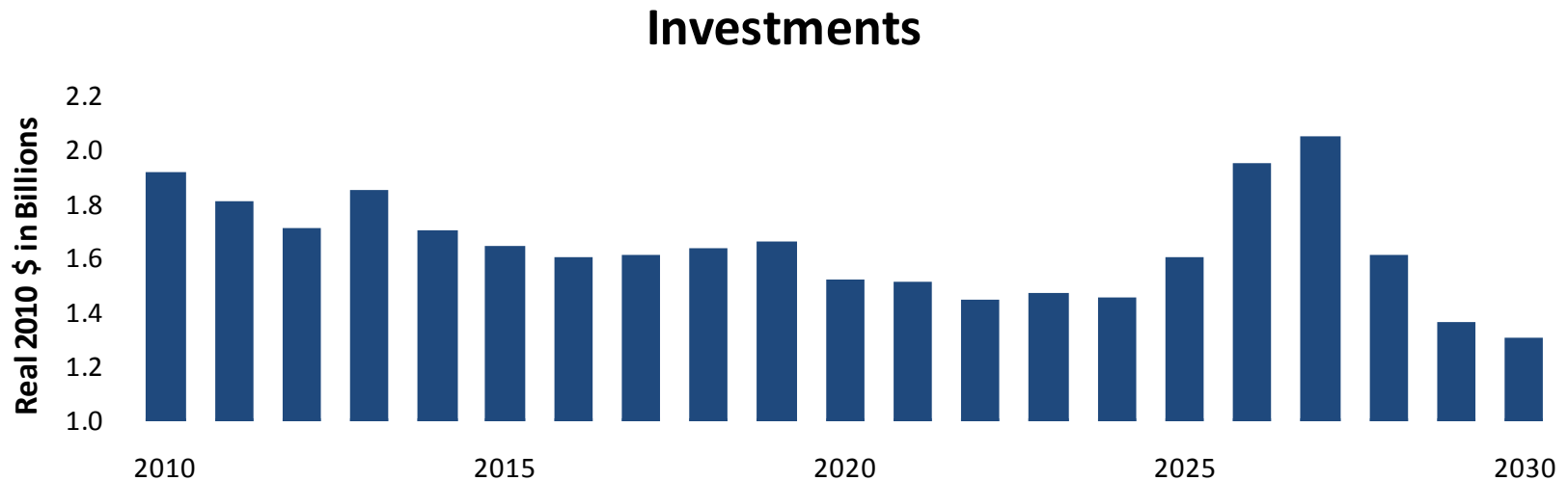
The realities we face

- Maintain our world class reliability
 - Costly and complex systems
 - Meet growing energy demands
- Minimize bill impacts through effective cost management
 - We control 30% of your bill
 - Hidden taxes and fees
- Committed to operate in a green and sustainable manner



Costly and complex energy systems

We invest around \$2 billion dollars a year in our energy systems

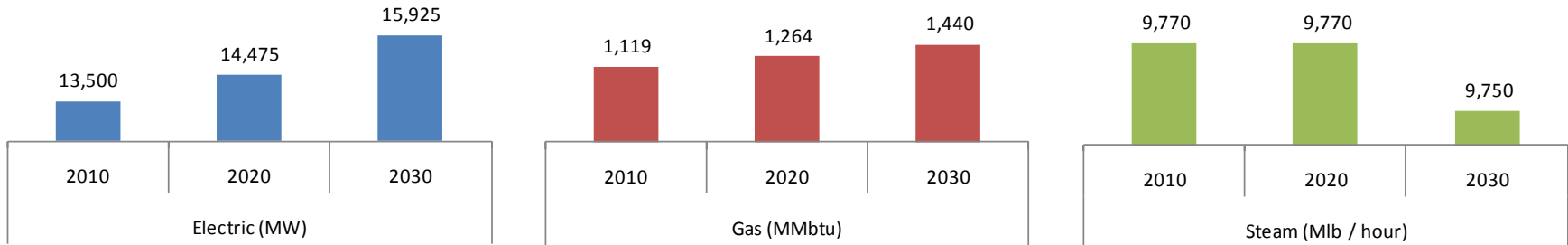


Investing in our infrastructure

- **For our electric system we are:**
 - Building 6 substations
 - Replacing over 900 miles of cable a year
 - Building a smart grid in Long Island City
- **For our gas system we are:**
 - Replacing 30 – 45 miles of pipe a year
- **For our steam system we are:**
 - Adding cleaner fuel options at our steam facilities

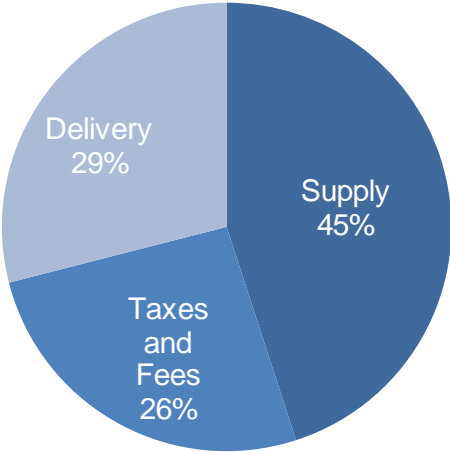
Meet growing demand for electric and gas

System demands for each commodity

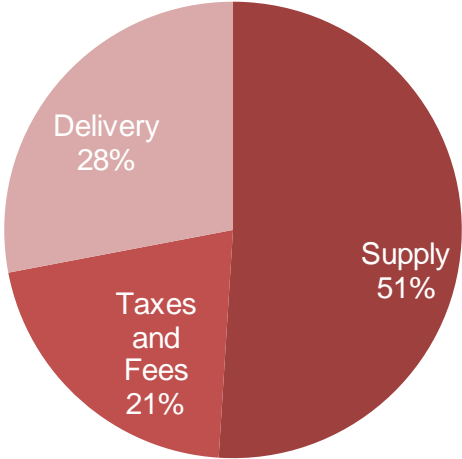


Cost breakdown of your energy bill

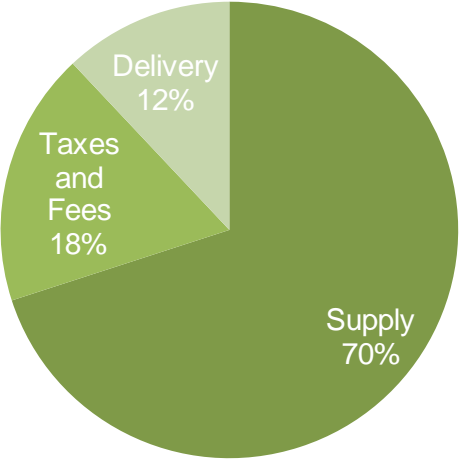
Electric



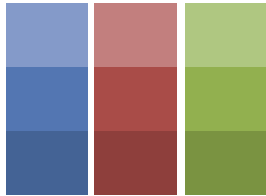
Gas



Steam



Bill Legend



Electric and Gas Supply (Cost of producing your energy. We buy your energy and charge you exactly what we pay)

Steam Supply (Con Edison produces the steam)

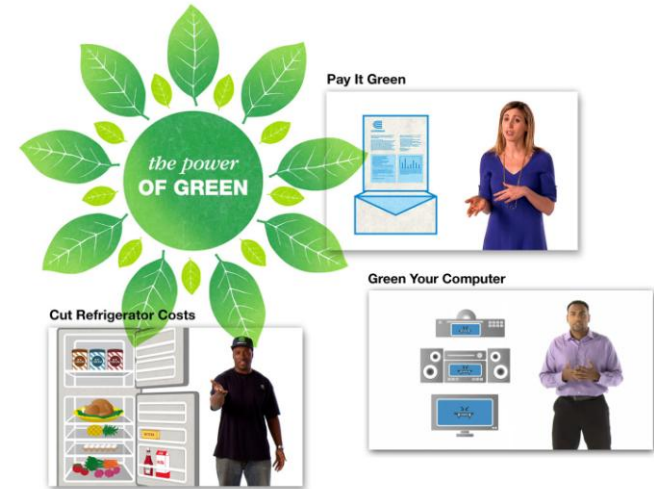
Taxes and state fees

Delivery (Cost of delivering your energy – Con Edison’s charge.)

Greener and sustainable future

We are incorporating environmental values into our operating and business decisions

- Greening our business
- Innovating to meet customer preferences for a greener lifestyle
- Promoting green behavior to our customers
- Developing smarter infrastructure to advance the use of clean energy
- Partnering with government to shape sustainable policies and standards



The next twenty years

The entire energy industry has the potential to change dramatically over the next 20 years.

Drivers

- Government policies regarding the environment and energy
- Technology
- Economy

Success Factors

- Enhance the customer experience
- Maintain world class reliability
- Minimize the increases in your bill

Our plan: Meet your energy needs

Cost management

Innovative approaches

Promote energy efficiency

Renewable energy and access to supply

Use technologies

Your experience

Improved communication and services

Greater control of your energy use

Greener energy choices

Our goal is to minimize the increase to your bill

Our plan: Promote energy efficiency

Innovative approaches

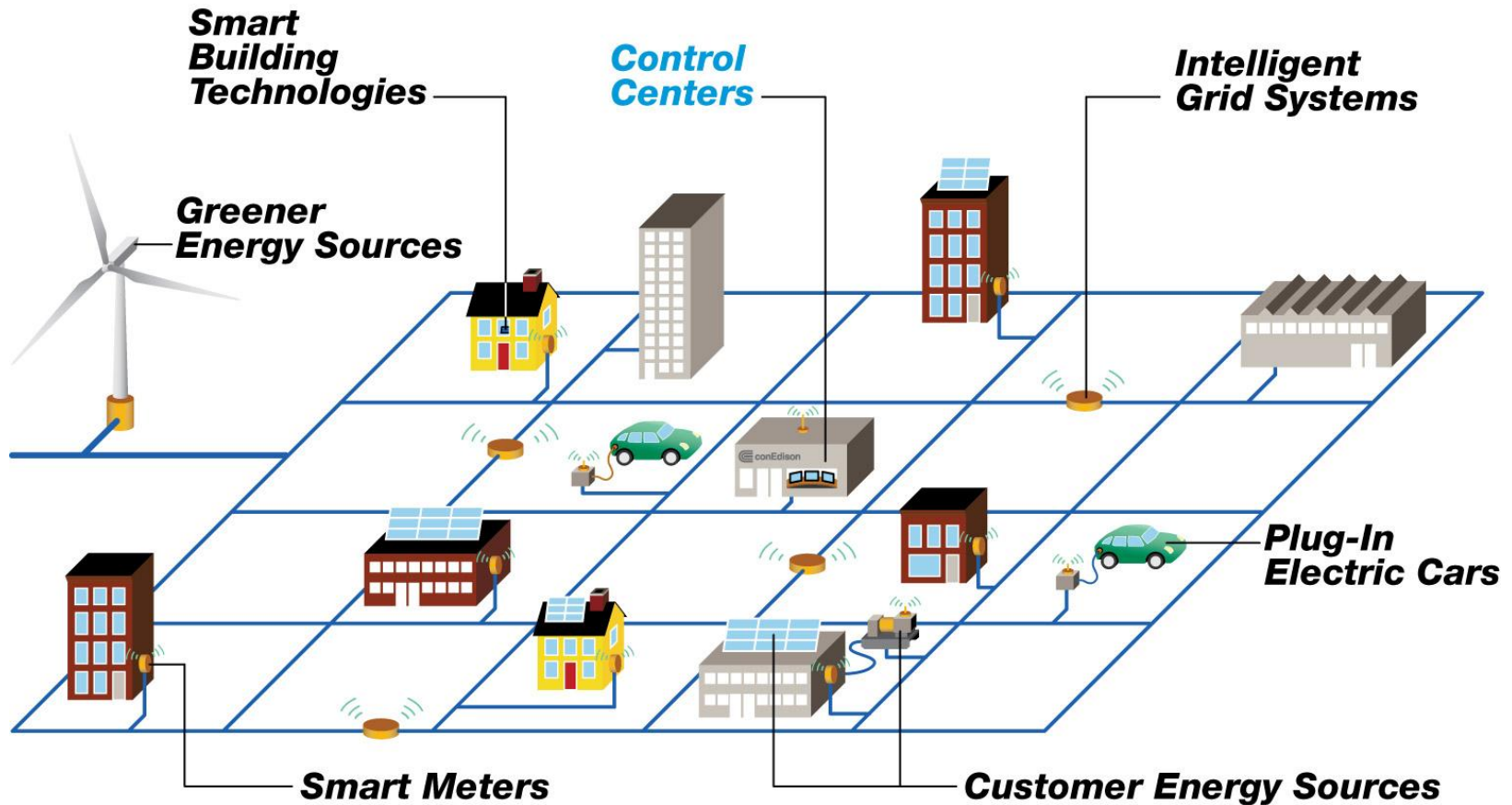
- Free and low cost energy surveys
- Incentives up to 70% for upgrades for businesses
- Rebates up to \$1,000 for homeowners



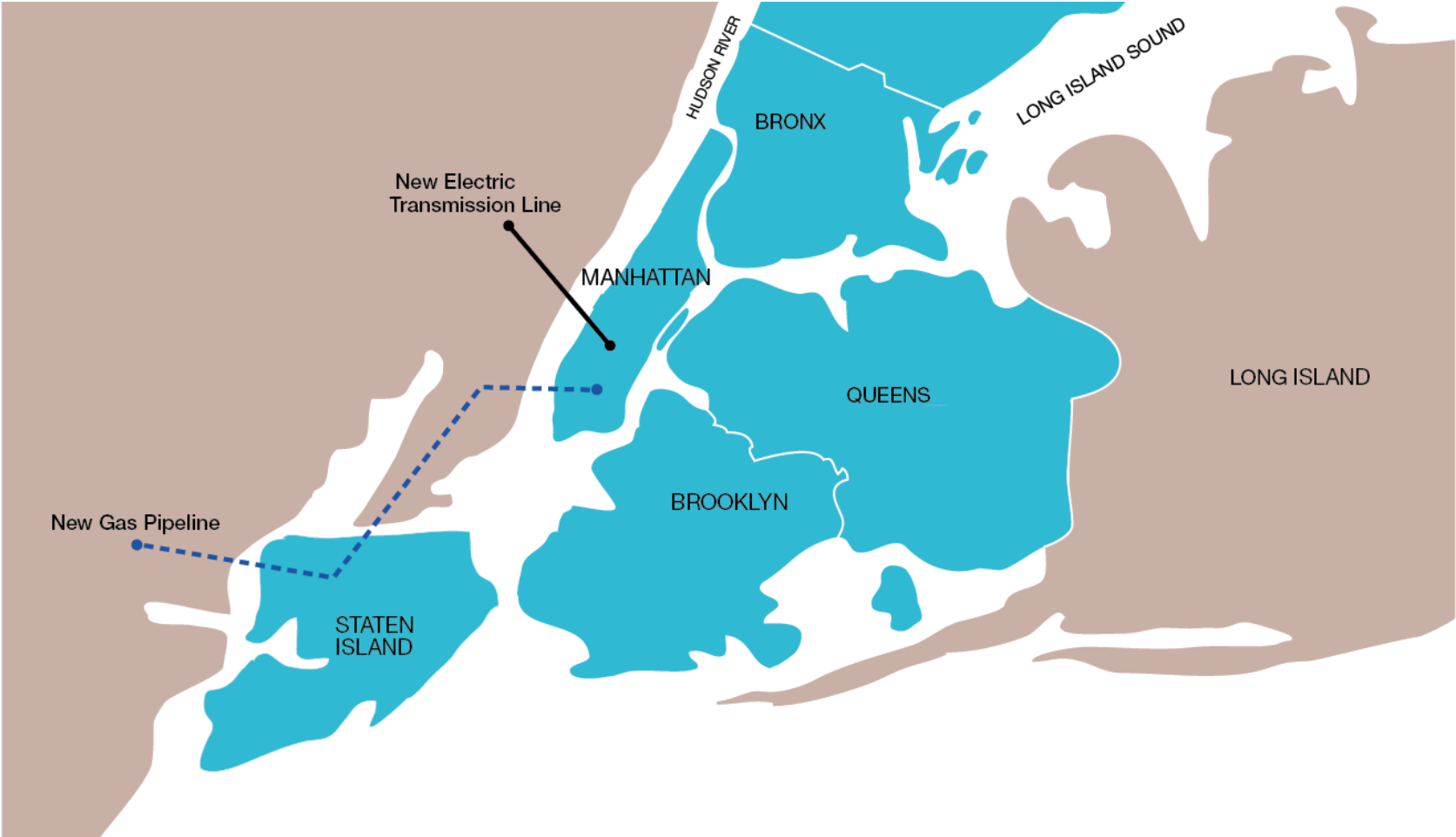
Program Benefits

- Save 450 MWs of peak demand by 2030
- Defer transmission and delivery infrastructure
- Estimated \$170 million in deferred infrastructure
- Work with the city & state to help them achieve their energy plans
- Promote new codes and standards

Our plan: Use new technologies to enable grid communication



Our plan: Evaluate alternate access to supply



Our plan: Enhance customer experiences through new technologies

Increased information to energy use at the home



Home Area Network



Smart meters



Electric Vehicles

Chevy Volt



Natural Gas Vehicles

Toyota Camry

Our plan: Provide cleaner choices for energy

- Renewables
 - Solar and offshore wind
- Distributed generation
- Combined heat and power (CHP)



Solar power



Offshore wind



Electric & steam power

What does this mean for our electric customers?

- We are doing everything we can to hold down rate and bill increases
- The cost management initiatives identified in the long range plan are expected to hold down bill increases by \$3.1 billion over the next 20 years
- Even with these cost savings:
 - Delivery rates are expected to increase by approximately 1.6% annually
 - Supply costs are expected to increase by approximately 2.3% annually
 - Taxes and fees are expected to increase by approximately 1.7% annually
 - Total bills are expected to increase by approximately 1.9% annually
- We will continue to work to reduce bill impacts

Note: Projections do not include inflation

What does this mean for our gas customers?

- We are doing everything we can to hold down rate and bill increases
- The cost management initiatives identified in the long range plan are expected to hold down bill increases by \$3.1 billion over the next 20 years
- Even with these cost savings:
 - Delivery rates are expected to increase by approximately 2.1% annually
 - Supply costs are expected to increase by approximately 2.0% annually
 - Taxes and fees are expected to increase by approximately 2.3% annually
 - Total bills are expected to increase by approximately 2.1% annually
- We will continue to work to reduce bill impacts

Note: Projections do not include inflation

What does this mean for our steam customers?

- We are doing everything we can to hold down rate and bill increases
- The cost management initiatives identified in the long range plan are expected to hold down bill increases by \$3.1 billion over the next 20 years
- Even with these cost savings:
 - Delivery rates are expected to increase by approximately 0.3% annually
 - Supply costs are expected to increase by approximately 0.3% annually
 - Taxes and fees are expected to increase by approximately -0.2% annually
 - Total bills are expected to increase by approximately 0.2% annually
- We will continue to work to reduce bill impacts


Note: Projections do not include inflation

We need to work together

- What we are doing
 - Promoting energy efficiency
 - Integrating renewable energy and new supplies
 - Leveraging new technologies
- What can you do to help
 - Participate in energy efficiency programs
 - Question elected officials about taxes and fees hidden in your bill
 - Take advantage of energy information available online
 - Pay your bill online
 - Consider alternate options for your energy supply

Con Edison Wants to Help You Save Money and Energy

Buildings with 5 to 75 units can save money and energy, and help the environment.



We offer:

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Learn how you can save energy and the environment.

