



### Manage Energy Costs, Boost Your Bottom Line

Welcome to *Smarter Energy Management*, a new quarterly newsletter for Con Edison customers who will soon move to mandatory hourly pricing and those who are already being billed according to hourly prices for their electricity supply. Each issue will feature information on how mandatory hourly pricing works — and how it creates opportunities to lower energy costs and improve your bottom line.

### The Pricing of Your Electricity is Changing — What You Need to Know!

You are one of the Con Edison customers who will move soon to a mandatory hourly, or market-based, price for electricity.

#### Why the switch to hourly pricing?

The short answer: the Public Service Commission has required it — and for some very good reasons.

Hourly pricing helps ensure a reliable supply of electricity for everyone, especially when the demand is high. It also gives you a better understanding of when and how your facilities use electricity so you can more effectively manage energy use and lower costs. Of course, being energy-efficient also protects the environment by preserving precious energy resources.

#### When will the switch occur?

The switch will occur in two phases. If your maximum monthly demand exceeded 1,000 kW once between October 2007 and September 2008, hourly pricing will begin this November. If your maximum monthly demand exceeded 500 kW once between October 2008 and September 2009, hourly pricing will begin in May 2011.

#### You will move to hourly pricing in November 2009 if...

- Your business used between 1,000 and 1,500 kW at anytime from October 1, 2007 and September 30, 2008.
- We have already installed a special meter at your business that allows for hourly pricing. You will have access to the data from this meter between April and October 2009, before hourly billing begins in November 2009. After hourly pricing begins you will be able to continue viewing the data.
- You purchase your electricity supply from Con Edison.

#### You will move to hourly pricing in May 2011 if...

- Your business used between 500 kW and 1,000 kW at anytime from October 1, 2008 and September 30, 2009.
- A special meter will be installed at your business that allows for hourly pricing. You will have access to data from this meter between April 2010 and April 2011, before hourly billing begins in May 2011. After hourly pricing begins you will be able to continue viewing the data.
- You purchase your electricity supply from Con Edison.

### How Hourly Pricing Works, and How it Can Work for You

Electricity is a commodity, and like any commodity the price rises or falls depending on how much is available and how much is needed.

Every day the New York Independent System Operator issues hourly wholesale prices — called day-ahead prices — for the next 24-hour day. Our demand monitoring software will let you view the hourly prices. When you pay the hourly wholesale price, your costs are based on how much you use, your highest use, and the time of day and week you use electricity.

### **The Savings are in the Details...**

And, the details are provided by a special meter called an Interval Meter. This sophisticated tool records how much electricity you use every 15 minutes. Once a day we retrieve the data from the meter either through a phone line or IP address, and make the data available to you via our demand monitoring software.

Be aware that once you begin hourly pricing your delivery charges will increase to cover the cost of the meter and our services for maintaining and reading it.

How much of an increase should you expect? Currently, the meter-related charges for a typical customer who is eligible for hourly prices averages about \$18, but this can vary depending on your account's service classification. Once you move to hourly pricing, meter-related charges will increase to approximately \$100, but even with this increase the meter-related charges will still be less than one percent of your delivery charges. The increased meter-related charges are subject to review and approval by the Public Service Commission.

### **Our Demand Monitoring Software: Information is Power**

Con Edison's demand monitoring software lets you view and analyze the data from your meter and then identify practical ways to reduce energy use and costs. To access this sophisticated tool, visit [ConEdisonDMS.com](http://ConEdisonDMS.com). You will need a user ID and password, which you can obtain by sending an e-mail to [ConEdisonMHP@conEd.com](mailto:ConEdisonMHP@conEd.com).

### **PowerYourWay – An Alternative to Hourly Pricing**

Our PowerYourWay program can help you meet your energy and business objectives by connecting you with an independent energy supplier, or ESCO. Purchasing your electricity from an ESCO is an alternative to mandatory hourly pricing. To learn more, visit [poweryourway.com](http://poweryourway.com). Con Edison will continue to read your meter, respond if there is a service problem, and deliver the energy you use reliably and safely.

### **Get Paid to Reduce Electric Use**

As an hourly pricing customer, you may receive financial incentives for reducing electric use when Con Edison determines that your neighborhood needs to curtail power. If you can reduce at least 50 kilowatts, consider enrolling in Con Edison's Distribution Load Relief Program. Participants electing the Summer Reservation Payments Option can receive a monthly payment from May to October for their commitment to reduce load when requested. For more information on this program and other demand response programs, and to learn about enrollment in 2010, visit [conEd.com/dr](http://conEd.com/dr) or call 1-800-643-1289.

### **Easy, Smart Ways to Reduce Energy Use**

Here are a few ways your business can cut electric use:

- Dim lights in lobbies and hallways
- Turn off lights by windows
- Pre-cool building when hot, humid weather is expected
- Turn off nonessential exhaust fans

**We're here to help...** with the move to hourly pricing. Call the phone number that appears on your bill, or send an e-mail to [ConEdisonMHP@conedison.com](mailto:ConEdisonMHP@conedison.com).

For even more information, contact:

- The New York Independent System Operator, [www.nyiso.com](http://www.nyiso.com)
- The New York State Energy Research and Development Authority, [nyserdera.org](http://nyserdera.org)
- The Public Service Commission, [www.dps.state.ny.us](http://www.dps.state.ny.us)