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John B. Rhodes, Chair

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PSC Approves Con Edison's Enhanced Gas Energy Efficiency Program — Energy Efficiency Efforts Will Double Over the Next Three Years to Reduce Gas Usage—

ALBANY — The New York State Public Service Commission (Commission) today approved an Enhanced Gas Energy Efficiency (Enhanced Gas EE) Program for Con Edison and established criteria for continued development of its Gas Innovation Program. The Enhanced Gas EE program is a key component of Con Edison's Smart Solutions strategy and will double its energy efficiency targets for 2018, 2019 and 2020, thereby mitigating peak day demand, as well as generally contributing to the State's ambitious climate and clean energy goals. Natural gas use in Con Edison's service territory has grown substantially leading to significant increases in the peak day demand from firm customers and absent any intervention is expected to continue to grow over the next 20 years.

Today's decision represents the first step in a more holistic view of a gas utility's obligation to meet the needs of its customers by exploring alternatives to its traditional utility business model.

"Energy efficiency has proven to yield positive results in the reduction of natural gas usage, and can serve to address peak day demand," said **Commission Chair John B. Rhodes**. "Reducing peak day demand for natural gas not only yields dividends in carbon reduction but decreases costs to consumers. We will continue to work with Con Edison as they develop strategies under their Smart Solutions program to reduce natural gas consumption."

Con Edison delivers gas to 1.1 million customers in Manhattan, the Bronx, parts of Queens, and most of Westchester County. The Enhanced Gas EE Program builds upon the Company's existing successful energy efficiency activities by providing incentives and services to residential, multifamily and commercial firm gas customers to install efficient natural gas equipment and reduce natural gas usage. Today's decision makes more effective use of existing energy efficiency funds and prior collections resulting in no new incremental collections from rate payers.

Con Edison's Gas Innovation Program will test the ability of various business models to increase penetration and speed of adoption of clean thermal technologies for meeting long-term heating demand within the Company's natural gas service territory.

To protect ratepayers from undue bill impacts related to unsuccessful pipeline development projects, the Commission denied Con Edison's request to recover costs associated with parallel pipeline development efforts.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Numbers 17-G-0606 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access.

Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.