

STATE OF NEW YORK

Public Service Commission

Garry A. Brown, Chairman

Three Empire State Plaza, Albany, NY 12223
Further Details: James Denn, (518) 474-7080
<http://www.dps.state.ny.us>
FOR RELEASE: IMMEDIATELY

08114/08-E-0539

PUBLIC COMMENTS SOUGHT ON CON EDISON'S PROPOSED ELECTRIC RATE INCREASE

Albany, NY – 11/3/08 – The New York State Public Service Commission seeks public comments concerning Consolidated Edison Company of New York, Inc.'s (Con Edison) proposals to increase its annual electric revenues.

In an application filed May 9, 2008, Con Edison proposed new rates to increase its annual electric revenues by \$654.1 million for the 12 months ending March 31, 2010 (Rate Year One). That amount is \$427.7 million lower than it otherwise would be because of the company's proposal to ameliorate customer bill impacts by deferring to the future, or forgoing altogether, its recovery of certain costs.

The May 9, 2008 filing also provided information in support of subsequent revenue increases for the 12 months ending March 31, 2011 and March 31, 2012 (Rate Years Two and Three) of \$474.7 million and \$420.5 million, respectively. Alternatively, Con Edison proposed three levelized revenue increases of \$556.7 million per year.

In subsequent filings through September 29, 2008, as corrected, Con Edison updated its request for Rate Year One to \$819.024 million, with no changes in the company's proposal to defer to the future or forgo altogether its recovery of certain costs. The revenue requests for the Second and Third Rate Years have not been updated.

Major reasons offered in support of the requested, post-amelioration, revenue increases include: significant growth in Con Edison infrastructure; a 10 percent return on common equity compared to the 9.1 percent currently allowed; significantly higher property tax expense; and higher operating expenses, matched by slightly declining electric sales.

The proposed new rates are suspended through April 5, 2009. Several active parties have filed testimony and exhibits, opposing various aspects of the Company's proposals, and offering alternative and other new proposals. These active parties include Department of Public Service Staff, the State Consumer Protection Board, the New York Power Authority, the City of New York, the Metropolitan Transit Authority, the Port Authority of New York and New Jersey, the County of Westchester, representatives of large electric customers, and others. Evidentiary hearings have been held to receive the various parties' testimony and exhibits into the formal case record subject to cross-examination.

Con Edison's application may be approved or rejected, in whole or in part, by the Commission. The Commission also may adopt rate changes not proposed by the company or any other party.

Interested members of the public are invited to comment on Con Edison's proposals. Persons may comment as follows:

Written Comments: Write to Jaclyn A. Brillong, Secretary, Public Service Commission, Three Empire State Plaza, Albany, NY 12223-1350. Your comments should refer to "Case 08-E-0539 - Consolidated Edison Company of New York, Inc. – Electric Rates."

Toll-free Opinion Line: Comments may be submitted through the Commission's Opinion Line at 1-800-335-2120. This number is designed to take comments about pending cases from in-state callers, 24 hours a day. Callers should select English or Spanish and press "1" to leave comments.

Internet: Comments may be submitted via the internet at <http://www.dps.state.ny.us/08-E-0539.htm>. Many libraries offer free Internet access.

All comments submitted via one of these alternative means should be submitted or mailed and post marked by no later than January 25, 2009. All public comments received by the Commission will be placed in the official case file and subject to public inspection.

Persons interested in the Con Edison's rate filing may view it at the Commission's offices at Three Empire State Plaza, 14th Floor, Albany, New York and 90 Church Street, New York, New York (bring picture identification for a security check), or on the Commission's website <http://www.dps.state.ny.us>, click on "What's New," then click on "Case 08-E-0539."