

LA_2, Schedule 2C
Case 08-E-0539

CPB IRs Relied on in Schultz Testimony

CPB 67

Company Name: Con Edison
Case Description:
Case: 08-E-0539

Response to CPB Interrogatories – Set CPB8
Date of Response: 07/31/2008
Responding Witness: Accounting Panel

Question No. :67

Refer to Exhibit __ (AP-5), Schedule 2, Page 1. Provide by year for the years 2003-2007 and for the rate year ended March 31, 2010 the comparable payroll costs for the total Company and for electric operations by category shown under the December 31, 2007 column.

Response:

The attached schedule reflects the Company's total payroll cost for years 2003-2007. For the rate year, see responses to CPB 54-55.

The information by service, i.e., electric, gas and steam by the categories shown is not available as the information is not tracked in such manner.

CPB 67
Attachment

Consolidated Edison Company of New York, Inc.
 2008 Electric Rate Case
 CPB 8- Question #67

Consolidated Edison Company of New York, Inc.
 Total Company Payroll Cost
 (Thousands of Dollars)

| <u>Union Wages</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|--------------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Straight Time | \$495,638 | \$491,940 | \$507,796 | \$524,595 | \$543,380 |
| Premium Time | 21,400 | 23,373 | 24,833 | 27,779 | 26,703 |
| Overtime | <u>66,773</u> | <u>92,181</u> | <u>109,230</u> | <u>127,753</u> | <u>129,804</u> |
| Total Union | 583,811 | 607,494 | 641,859 | 680,127 | 699,887 |
| <u>Management Salaries</u> | | | | | |
| Straight Time | 385,148 | \$393,674 | \$417,266 | \$450,766 | \$472,429 |
| Compensatory Time | <u>17,909</u> | <u>23,316</u> | <u>25,953</u> | <u>33,233</u> | <u>34,017</u> |
| Total Management | 403,057 | 416,990 | 443,219 | 483,999 | 506,446 |
| Total Salaries and Wages | <u><u>\$986,868</u></u> | <u><u>\$1,024,484</u></u> | <u><u>\$1,085,078</u></u> | <u><u>\$1,164,126</u></u> | <u><u>\$1,206,333</u></u> |

CPB 72

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/11/2008

Responding Witness: Accounting Panel/Reyes

Question No. :72

Subject: Employee Welfare Capitalization. Refer to the response to DPS 12, Question No. 178: (a) Explain how the respective attachments can be reconciled with the effective capitalization rate of 32.3% as calculated from Exhibit __ (HJR-1) following the notation in the response to Question 178 ($\$30,201,621/(\$988,897+\$92,466,114)$). (b) Identify the source of the “Labor Content” and/or the “Labor Devoted to Construction” listed on the 2008 Authority Letter. (c) Explain why costs for the Thrift Savings Plan, specifically, as well as the other benefits are not capitalized.

Response:

- a) In 2007, the capitalization for health and group life was \$41,559,957. This number is reflected in PSC Number 92200 – Administrative Expenses Transferred – Credit, account 05735. The Authority Letter prepared by General Accounting indicates that the administrative and general expenses be allocated as follows: 72.67% for electric, 23.63% for gas and 3.70% for steam. Therefore, 72.67% of \$41,559,957 is \$30,201,621.
- b) The Labor Content is developed by dividing the labor charged to construction for the year by the total actual construction expenditures for the year. The Labor Devoted to Construction or the labor charged to construction is the total labor charged to capital projects.
- c) The Company’s Thrift Savings Plan was implemented in January 1981. Con Edison’s accounting procedures provide for these costs to be treated as expenses and not capitalized. The Accounting Panel is unaware of the reason for selecting this accounting treatment. The Company would note its understanding that due to the size of this annual expenditure, capitalizing these and other miscellaneous benefits costs (e.g., Child Care) on a prospective basis would require a “change of accounting” that would be subject to review and approval by the Commission.

CPB 74

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/14/2008

Responding Witness: IIP

Question No. :74

Subject: Infrastructure Exhibits__(IIP-3), (IIP-5) and (IIP-7). (a) For each of the respective programs on each of the respective exhibits provide the actual costs for the years 2003-2007. (b) For each of the respective programs on each of the respective exhibits provide the amount of labor reflected in the year 2007 and the rate year 2010. (c) Provide supporting information in the white paper form for the cost in IIP-7 for Programming Resources for Electric Operations Application – FIN Team. Include an explanation as to how the adding staff was determined (Note: IIP-25 includes a duplication of the RMS Response Group white paper instead of this white paper)

Response:

For Electric Operations:

- a. See attachment. For IIP-7, see file 2003-2007 Elec Ops DFO1.xls.
- b. See attachment. For IIP-7 see file CPB10 – 74b.xls. The labor is reflected for year 2007 and rate year ending 2010.
- c. See attachment. For IIP-7, see file FinTeamOM.doc. Staffing is 1 Senior Specialist to oversee the contract labor.

For Substation Operations

Q74 A – Substation Operations total actual expenditures for all programs listed on Exhibit IIP-3 for the period 2003 to 2007 are as follows:

- o Flame Retardant Clothing – 2007 =\$113k new program, no prior expenses 2003 to 2006
- o New Facilities – 2007 =\$315k new program, no prior expenses 2003 to 2006
- o Operator Augmentation - new program, no prior expenses 2003 to 2007
- o Dynamic Feeder Rating System – 2007 = \$85k, no prior expenses 2003 to 2006 equipment covered under manufacturer’s warranty.

- Structural Integrity / Station Betterment – new program, no prior expenses 2003 to 2007
- SF6 Gas Emissions Reduction – 2007 = \$76k, (new program) no prior expenses 2003 to 2006
- Advance Control Group – new program, no prior expenses 2003 to 2007
- Incremental Telecommunications - 2007=\$751k, new program, no prior expenses 2003 to 2006
- Field Operations Trainer - New program, no prior expenses 2003 to 2007
- Corrective Maintenance Normalization – new program (one year adjusting entry), no prior expenses 2003 to 2007.
- Bus Enclosure Reliability – 2007=\$550k , 2006= \$1,255k, 2005=\$461k, 2004=\$185k, 2003=\$283k

Q74 B – Substation Operations total labor expenditures for 2007 and the projected labor for the 2010 Rate Year for all programs listed on Exhibit IIP-3 are as follows:

- | | |
|---|---------------------------------|
| ○ Flame Retardant Clothing | – 2007 = \$0k, 2010 = \$0 |
| ○ New Facilities | – 2007 = \$240k 2010 = \$4,612k |
| ○ Operator Augmentation | - 2007 = \$0k 2010 = \$1,760k |
| ○ Dynamic Feeder Rating System | – 2007 = \$0k 2010 = \$0k |
| ○ Structural Integrity / Station Betterment | – 2007 = \$0k 2010 = \$0k |
| ○ SF6 Gas Emissions Reduction | – 2007 = \$0k 2010 = \$0k |
| ○ Advance Control Group | - 2007 = \$0k 2010 = \$630k |
| ○ Incremental Telecommunications | – 2007 = \$0k 2010 = \$0k |
| ○ Field Operations Trainer - | – 2007 = \$0k 2010 = \$154k |
| ○ Corrective Maintenance Normalization | – 2007 = \$0k 2010 = \$848k |
| ○ Bus Enclosure Reliability | – 2007 = \$393k 2010 = \$651k |

For Transmission Operations:

- a. With regards to IIP-5, response to (a) is provided in Attachment CPB10 – Question 74 a and b.
- b. With regards to IIP-5, response to (b) is provided in Attachment CPB10 – Question 74 a and b

CPB 74
Attachment

| | | | | |
|--|--|------------------------------------|--|---|
| SUBMITTING ORGANIZATION: Operations Services | | Responsible Individual: Rick Doyle | TYPE OF CHANGE: <input type="checkbox"/> | PLEASE CHECK ONE: <input checked="" type="checkbox"/> |
| PROGRAM NAME: FIN Team - Programming resources for Electric Oes Applications | | | VOLUME: <input type="checkbox"/> | NON-RECURRING: <input type="checkbox"/> |
| PROGRAM START DATE: 2009 | | | (Normalization) | |

| O&M RATE YEAR | | | THOUSANDS OF DOLLARS | | | | | | |
|-----------------------------------|--------|--------------------------|-----------------------------------|-----------------|-----------------------------------|-----------------|------------------------------------|-----------------|-----------------------------------|
| AMOUNT (IN THOUSANDS OF DOLLARS): | | | TME 12/31/07 | RYE 2010 | TME March 31, 2010 | RYE 2011 | TME March 31, 2011 | RYE 2012 | TME March 31, 2012 |
| MAG | PSC | ELEMENT OF EXPENSE | HISTORICAL YEAR LEVEL OF SPENDING | PROGRAM CHANGES | FIRST RATE YEAR LEVEL OF SPENDING | PROGRAM CHANGES | SECOND RATE YEAR LEVEL OF SPENDING | PROGRAM CHANGES | THIRD RATE YEAR LEVEL OF SPENDING |
| 73 | 890007 | 020 - Labor | \$0 | \$100 | \$100 | \$0 | \$100 | \$0 | \$100 |
| 44 | 58000 | 010 - IT Support - Labor | \$0 | \$440 | \$440 | \$0 | \$440 | \$0 | \$440 |
| | | TOTAL | \$0 | \$540 | \$540 | \$0 | \$540 | \$0 | \$540 |

| UNITS OF PRODUCTION | | | UNITS OF PRODUCTION | | | | | | |
|---------------------|-----|------------|-------------------------------|-----------------|-------------------------------|-----------------|--------------------------------|-----------------|-------------------------------|
| UNITS OF PRODUCTION | | | TME 12/31/07 | RYE 2010 | TME March 31, 2010 | RYE 2011 | TME March 31, 2011 | RYE 2012 | TME March 31, 2012 |
| MAG | PSC | WORK UNITS | HISTORICAL YEAR LEVEL OF WORK | PROGRAM CHANGES | FIRST RATE YEAR LEVEL OF WORK | PROGRAM CHANGES | SECOND RATE YEAR LEVEL OF WORK | PROGRAM CHANGES | THIRD RATE YEAR LEVEL OF WORK |
| | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | TOTAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| CAPITAL CALENDAR YEAR | | | THOUSANDS OF DOLLARS | | | | | | | | | | | |
|-----------------------------------|-----|--------------------|----------------------|----------------------|-----------------------|---------------|----------------------|-----------------------|---------------|----------------------|-----------------------|---------------|----------------------|-----------------------|
| AMOUNT (IN THOUSANDS OF DOLLARS): | | | 2009 Forecast | 2009 Program Changes | 2009 Revised Forecast | 2010 Forecast | 2010 Program Changes | 2010 Revised Forecast | 2011 Forecast | 2011 Program Changes | 2011 Revised Forecast | 2012 Forecast | 2012 Program Changes | 2012 Revised Forecast |
| MAG | PSC | ELEMENT OF EXPENSE | | | | | | | | | | | | |
| | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | TOTAL | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

| UNITS OF PRODUCTION | | | UNITS OF PRODUCTION | | | | | | | | | | | |
|---------------------|-----|------------|---------------------|----------------------|-----------------------|---------------|----------------------|-----------------------|---------------|----------------------|-----------------------|---------------|----------------------|-----------------------|
| UNITS OF PRODUCTION | | | 2009 Forecast | 2009 Program Changes | 2009 Revised Forecast | 2010 Forecast | 2010 Program Changes | 2010 Revised Forecast | 2011 Forecast | 2011 Program Changes | 2011 Revised Forecast | 2012 Forecast | 2012 Program Changes | 2012 Revised Forecast |
| MAG | PSC | WORK UNITS | | | | | | | | | | | | |
| | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | TOTAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| COMMON XM's (I.e. VEHICLES, COMPUTER EQUIPMENT, TOOLS, FACILITIES) | | | THOUSANDS OF DOLLARS | | | | | | | |
|--|-----|---|----------------------|----------------------|----------|----------------------|----------|----------------------|----------|----------------------|
| AMOUNT (IN THOUSANDS OF DOLLARS): | | | Quantity | 2009 PROGRAM CHANGES | Quantity | 2010 PROGRAM CHANGES | Quantity | 2011 PROGRAM CHANGES | Quantity | 2012 PROGRAM CHANGES |
| MAG | PSC | DESCRIPTION OF COMMON EXPENSE | Unit Cost | | | | | | | |
| | | Computers, peripherals, printer, copier | \$40 | 1 | \$40 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | TOTAL | | 1 | \$40 | \$0 | \$0 | \$0 | \$0 | \$0 |

| AVERAGE HUMAN RESOURCES (MANAGEMENT & WEEKLY) (SEE NOTE BELOW) | | | THOUSANDS OF DOLLARS | | | | | | | |
|--|-----|---------------------|----------------------|----------------------|----------|----------------------|----------|----------------------|----------|----------------------|
| AMOUNT (IN THOUSANDS OF DOLLARS): | | | Quantity | 2009 PROGRAM CHANGES | Quantity | 2010 PROGRAM CHANGES | Quantity | 2011 PROGRAM CHANGES | Quantity | 2012 PROGRAM CHANGES |
| MAG | PSC | JOB TITLE | 2007 LABOR RATE | | | | | | | |
| | | Sr Specialist | \$100 | 1 | \$100 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | EQUIVALENT OVERTIME | | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | TOTAL | | 1 | \$100 | \$0 | \$0 | \$0 | \$0 | \$0 |

| | | | | |
|---|---------|-------|-----|-----|
| Clearing dollar % allocated to O&M per Authority Letter → | 100.00% | \$100 | \$0 | \$0 |
| Clearing dollars % allocated to Capital as per Authority Letter | 0.00% | \$0 | \$0 | \$0 |

NOTE:

| | |
|---|--|
| Why field employee @ Man-hour rate | |
| Field Supervisors (included in man hour rate) | |
| Clerical (included in man hour rate) | |
| Why employee (Basic Labor) | |
| Management (Basic Labor) | |
| Engineering support (Basic Labor rate) | |
| Contractor oversight (Basic Labor rate) | |

SERVICE IMPACTED BY PROGRAM CHANGE

ELECTRIC
GAS
STEAM
COMMON - ELECTRIC, GAS & STEAM
COMMON - ELECTRIC & STEAM
COMMON - GAS & STEAM
CECONY & O&R
CECONY, O&R & NON-UTILITY

| | |
|------------------|-------------------------------------|
| PLEASE CHECK ONE | <input checked="" type="checkbox"/> |
| | <input type="checkbox"/> |
| | <input type="checkbox"/> |
| | <input type="checkbox"/> |
| | <input type="checkbox"/> |
| | <input type="checkbox"/> |

2003

Electric Operations

Regional Combined Summary by Functional Category Hierarchy

| Fcat | Description | Dollars Actual |
|------|--|-------------------|
| 001 | Emergency response | 69,711,231 |
| 002 | Maintenance associated with capital | 10,200,086 |
| 003 | Transformers (insp & repairs) | 44,685,087 |
| 004 | Structures/poles(manholes,svc box/urd) | 2,083,685 |
| 005 | Oh equipment | 1,532,425 |
| 006 | Tree trimming | 7,005,390 |
| 007 | Street lights | 2,223,296 |
| 008 | Meters & other customers eqt | 15,272,915 |
| 009 | Field ops/unit ss/other o&m | 12,507,015 |
| | | 165,221,129 |

2004

Electric Operations

Regional Combined Summary by Functional Category Hierarchy

| Fcat | Description | Dollars Actual |
|------|--|-------------------|
| 001 | Emergency response | 68,443,008 |
| 002 | Maintenance associated with capital | 10,972,424 |
| 003 | Transformers (insp & repairs) | 18,442,731 |
| 004 | Structures/poles(manholes ,svc box/urd) | 17,999,408 |
| 005 | Oh equipment | 1,310,806 |
| 006 | Tree trimming | 6,698,815 |
| 007 | Street lights | 4,859,937 |
| 008 | Meters & other customers eqt | 15,770,854 |
| 009 | Field ops/unit ss/other o&m | 14,520,628 |
| | | 159,018,611 |

2005

Electric Operations

Regional Combined Summary by Functional Category Hierarchy

| Fcat | Description | Dollars Actual |
|------|--|-------------------|
| 001 | Emergency response | 71,830,755 |
| 002 | Maintenance associated with capital | 9,776,583 |
| 003 | Transformers (insp & repairs) | 23,032,918 |
| 004 | Structures/poles(manholes, svc box/urd) | 9,436,189 |
| 005 | Oh equipment | 1,367,040 |
| 006 | Tree trimming | 7,283,986 |
| 007 | Street lights | 2,832,174 |
| 008 | Meters & other customers eqt | 17,684,859 |
| 009 | Field ops/unit ss/other o&m | 17,586,530 |
| | | 160,831,034 |

2006

Electric Operations

Regional Combined Summary by Functional Category Hierarchy

| Fcat | Description | Dollars Actual |
|-------------|--|-------------------|
| 001 | Emergency response | 114,033,302 |
| 002 | Maintenance associated with capital | 14,002,005 |
| 003 | Transformers (insp & repairs) | 28,522,050 |
| 004 | Structures/poles(manholes, svc box/urd) | 14,348,971 |
| 005 | Oh equipment | 15,903,760 |
| 006 | Tree trimming | 10,092,217 |
| 007 | Street lights | 2,640,847 |
| 008 | Meters & other customers eqt | 17,663,432 |
| 009 | Field ops/unit ss/other o&m | 20,327,032 |
| <hr/> <hr/> | | |
| | | 237,533,616 |

2007

Electric Operations

Regional Combined Summary by Functional Category Hierarchy

| Fcat | Description | Dollars Actual |
|-------------|---|-------------------|
| 001 | Emergency response | 87,047,268 |
| 002 | Maintenance associated with capital | 13,953,999 |
| 003 | Transformers (insp & repairs) | 36,399,347 |
| 004 | Structures/poles(manholes,sv c box/urd) | 17,841,894 |
| 005 | Oh equipment | 5,197,740 |
| 006 | Tree trimming | 13,528,627 |
| 007 | Street lights | 4,112,161 |
| 008 | Meters & other customers eqt | 19,451,411 |
| 009 | Field ops/unit ss/other o&m | 21,801,103 |
| <hr/> <hr/> | | 219,333,550 |

Question No.:74

(b) For each of the respective programs on each of the respective exhibits provide the amount of labor reflected in the year 2007 and the rate year 2010.

| IIP - 7 | 2007 | RYE 2010 |
|--|----------------|---------------------|
| Support Economic Growth | \$2,191 | \$5,851 |
| Customer Focused Service Ruling Program | \$0 | \$226 |
| SMART Electric Technologies - new program | \$0 | \$92 |
| 500 MW DSM Monitoring & Verification | \$0 | \$92 |
| 500 MW DSM Market Research Support | \$0 | \$0 |
| 500 MW DSM Program Administration | \$0 | \$920 |
| 500 MW DSM Training | \$0 | \$0 |
| 500 MW DSM Website Development | \$0 | \$0 |
| Commerical Service Representative Automation | \$0 | \$0 |
| New Business - Mac | \$2,191 | \$2,520 |
| Newtown Substation - Mac | \$0 | \$38 |
| Network Transformer Relief - Mac | \$0 | \$1,313 |
| Overhead Transformer Relief - Mac | \$0 | \$650 |
| | | |
| System and Component Performance | \$8,263 | \$12,075 |
| Unit Substation repairs and inspection | \$0 | \$0 |
| Automatic Transfer Switch Operator Replacement | \$0 | \$160 |
| RMS Response Group | \$0 | \$1,820 |
| Electrical Engineering Support | \$8,122 | \$8,430 |
| O&M Vault Repairs | \$0 | \$1,272 |
| PILC - Mac | \$141 | \$186 |
| Cable Crossings - Mac | \$0 | \$29 |
| Network Reliability (Feeder De-Bifurcation) - Mac | \$0 | \$101 |
| Coastal Storm Mitigation - Mac | \$0 | \$33 |
| Grounding Transformer - Mac | \$0 | \$4 |
| Trip Coil Monitor - Mac | \$0 | \$0 |
| USS Life Extension/4 kV Breaker Replacement - Mac | \$0 | \$40 |
| | | |

(b) For each of the respective programs on each of the respective exhibits provide the amount of labor reflected in the year 2007 and the rate year 2010.

| IIP - 7 | 2007 | RYE 2010 |
|---|-----------------|---------------------|
| Public Safety and Environmental | \$19,042 | \$30,239 |
| Dissolved Gas in Oil Analysis (DGOA) | \$3,446 | \$3,500 |
| 5 Year OH Inspection Program | \$0 | \$2,916 |
| 5-Year UG Structure Inspection Program | \$12,347 | \$15,149 |
| Annual Stray Voltage Testing Program | \$554 | \$825 |
| Electric Distribution Inspection System (EDIS) Improvements | \$0 | \$0 |
| Mobile Stray Voltage Testing - Sarnoff devices | \$2,505 | \$3,188 |
| Network Transformer vault cleaning program | \$0 | \$826 |
| Central Quality Assurance | \$190 | \$3,835 |
| | | |
| Storm Hardening and Response | \$1,128 | \$4,481 |
| Customer Response Program | \$0 | \$388 |
| Danger Tree Removal | \$0 | \$634 |
| 3-Phase Gang Switch Inspection and Repair program | \$78 | \$349 |
| Line Clearance Program | \$426 | \$877 |
| Overhead Planning Group | \$0 | \$148 |
| Double Wood program | \$0 | \$0 |
| Rear Lot Pole Elimination | \$0 | \$0 |
| C Truss Program - Mac | \$324 | \$407 |
| Autoloop Reliability - Mac | \$0 | \$157 |
| Aerial Cable Replacement Okonite - Mac | \$0 | \$292 |
| ESCO Switch Replacement (Kyle) - Mac | \$300 | \$300 |
| 33 kV Interruptible Switches - Mac | \$0 | \$16 |
| 13 kV Feeder Sectionalizing - Mac | \$0 | \$28 |
| 4 kV UG Reliability - Mac | \$0 | \$140 |
| OH Feeder Reliability/VRS Replacement - Mac | \$0 | \$150 |
| Automated Emergency Tie Reclosure 13 kV Loop - Mac | \$0 | \$75 |
| Underground Reliability Program - Mac | \$0 | \$100 |
| ATS Switch/USS Reliability Program - Mac | \$0 | \$420 |
| | | |

(b) For each of the respective programs on each of the respective exhibits provide the amount of labor reflected in the year 2007 and the rate year 2010.

| IIP - 7 | 2007 | RYE 2010 |
|--|-----------------|---------------------|
| Process Improvement | \$8,855 | \$11,778 |
| Area System Profile Program | \$0 | \$25 |
| Technical Support/NYC Regulatory Liaison Program | \$150 | \$220 |
| Field Auditing & Quality Control Program | \$150 | \$394 |
| NAICS Code Append | \$40 | \$12 |
| Establishment of a Regional Contractor Oversight / Review Group | \$0 | \$237 |
| Electric Operations Process Management - EOPM | \$0 | \$600 |
| Engineering Contractor -Vendor Layouts | \$0 | \$0 |
| Enhanced Project Planning | \$7,822 | \$8,172 |
| Electric Distribution Equipment Reconditioning & Repairs | \$693 | \$1,018 |
| Accounting By Network | \$0 | \$0 |
| Mapping System Upgrade - IT | \$0 | \$0 |
| COOP's | \$0 | \$350 |
| Senior Civil Engineers | \$0 | \$100 |
| Staffing Additions - DE | \$0 | \$110 |
| Programming resources for Electric Operations Applications – FIN Team | \$0 | \$140 |
| 4 kV Load Shedding - Mac | \$0 | \$400 |
| Scada System Consolidation - Mac | \$0 | \$0 |
| | | |
| Total of Programs Listed Above for Electric Operations O&M | \$39,479 | \$64,424 |
| | | |

2009 Operations & Maintenance (O&M)

| | |
|-------------------------------|---|
| Project/Program Title | Programming resources for Electric Operations Applications – FIN Team |
| Status | |
| Estimated Service Date | January 1, 2009 |

Work Description:

Electric Operations requests funding for the staffing of programming resources required to modify existing information systems to enhance critical functions including:

- Electric Asset Inspection and Validation.
- Network Transformer Operations and Maintenance.
- New Business and Construction Work Management.
- Customer Connectivity and address Data Management.

Justification:

These resources are needed to support “emergent” work that is required to support the Electric Operations Applications. This team will ensure that issues or required enhancements to applications will be accomplished in a timely fashion. This will help the reliability of our system.

Estimated Completion Date:

This will be an on-going Program through 2012.

Status:

Pending

Funding (\$000)

Total annual requirement is \$540,000 for 4 contractors (@ \$110K annually each) and 1 Senior Specialist (@ \$100) to oversee the work.

| Historical Year (2007) | Forecast RYE 2010 | Forecast RYE 2011 | Forecast RYE 2012 | Forecast Total 2009-2012 |
|------------------------|-------------------|-------------------|-------------------|--------------------------|
| 0 | \$540 | \$540 | \$540 | \$1,620 |

CPB10
 Question 74a and b
 Reference: Exhibit IIP-5

Question 74a

Question 74b

| Title | Total Actual Costs | | | | |
|--|--------------------|-------|-------|--------|-------|
| | 2003 | 2004 | 2005 | 2006 | 2007 |
| SUPPORT ECONOMIC GROWTH | | | | | |
| Sequencing and Scheduling - Add 3rd District Operator (DO) | 0 | 0 | 0 | 0 | 0 |
| SYSTEM AND COMPONENT PERFORMANCE | | | | | |
| Coating Refurbishment | 0 | 0 | 915 | 999 | 473 |
| Conductor Repairs | 215 | 166 | 387 | 95 | 230 |
| ECC facility maintenance costs | 1,400 | 1,504 | 2,122 | 1,917 | 2,068 |
| ECC Trainer / Compliance Monitor Position | 0 | 0 | 0 | 0 | 0 |
| Feeder Emergencies | 7,187 | 6,709 | 6,234 | 11,444 | 4,808 |
| Install Bird Discouragers on Selected Portions of P & F Line | 0 | 0 | 0 | 0 | 0 |
| Normalized Human Resources | 0 | 0 | 0 | 0 | 0 |
| Overhead Line Inspections | 191 | 365 | 332 | 137 | 145 |
| Tower Painting | 0 | 149 | 244 | 1 | 0 |
| Transmission Planning Studies | 64 | 194 | 287 | 18 | 21 |
| Transmission reliability - Industry group fees | 90 | 90 | 115 | 85 | 106 |
| PUBLIC SAFETY AND ENVIRONMENTAL | | | | | |
| Manhole Inspections | 379 | 437 | 473 | 370 | 453 |
| PFT Patrols - New Environmental Program | 0 | 0 | 0 | 0 | 0 |
| IMPROVE STORM RESPONSE | | | | | |
| Improve Overhead Transmission Restoration Capability | 0 | 0 | 0 | 0 | 0 |
| ADVANCED TECHNOLOGY | | | | | |
| AECC equipment support and maintenance | | 0 | 0 | 0 | 102 |
| Communications Infrastructure | 3,683 | 3,446 | 3,436 | 3,800 | 4,557 |
| NERC and EMS Training | 0 | 0 | 0 | 95 | 91 |
| New EMS system license maintenance | 0 | 0 | 0 | 0 | 0 |
| PROCESS IMPROVEMENT | | | | | |
| 1 Additional HR for NYISO functions | 0 | 0 | 0 | 0 | 0 |
| Conductor Cart Training | 0 | 0 | 0 | 0 | 0 |
| Live Line Maintenance Procedures | 0 | 0 | 0 | 0 | 0 |
| Training Specialist for TLM Training Programs | 0 | 0 | 0 | 0 | 0 |
| Update Plan and Profile Drawings | 0 | 0 | 0 | 0 | 0 |
| ENHANCED CUSTOMER SERVICE | | | | | |
| Training for Emergency CIG | 0 | 0 | 0 | 0 | 0 |

| Labor Costs | |
|-------------|----------|
| Actual 2007 | RYE 2010 |
| | |
| 0 | 100 |
| | |
| 31 | 150 |
| 93 | 313 |
| 0 | 1,158 |
| 0 | 125 |
| 2,105 | 3,866 |
| 0 | 0 |
| 0 | 1,422 |
| 55 | 188 |
| 0 | 16 |
| 0 | 0 |
| 0 | 0 |
| | |
| 451 | 873 |
| 0 | 500 |
| | |
| 0 | 300 |
| | |
| 0 | 0 |
| 0 | 0 |
| 0 | 0 |
| | |
| 0 | 100 |
| 0 | 0 |
| 0 | 45 |
| 0 | 125 |
| 0 | 0 |
| | |
| 0 | 0 |

CPB 78

Company Name: Con Edison
Case Description:
Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10
Date of Response: 08/11/2008
Responding Witness: IIP

Question No. :78

Subject: Infrastructure Investment Panel/Exhibit__(IIP-10): (a) Explain in detail how the Company determined the man power requirements and the cost of \$5.212 million as shown on pages 18 and 19 for SSO Staffing – New Facilities. (b) Provide supporting calculations for the labor dollars. (c) Identify what line(s) the respective labor dollars are included in on Exhibit__(AP-5) Schedule 8, Page 1.

Response:

Q78 A – See response to Staff 500, part 1.

Q78 B – Substation Operations priced out all direct labors at the actual average 2007 labor rate (ManHour Rate) of \$67.37 per hour. The average ManHour Rate of \$67.37 is multiplied by the actual average productive hours per employee of 1,627 (available hours to do hands-on work) which equals approximately \$110k per field employee. The overtime calculation of \$123k per EOT (equivalent overtime) is priced out at the actual average 2007 labor rate (ManHour Rate) of \$67.37, which is multiplied by 1830 hours (which represents the company standard for 1 equivalent overtime unit). The cost of direct supervision and the Environmental Health and Safety person is embedded in the Manhour Rate calculation and so, no additional basic salary dollars are added to the program calculation.

| | |
|-------------------------------|---------------------------|
| Operators | 17 @ \$110k = \$1,870,000 |
| Mechanics | 12 @ \$110k = \$1,320,000 |
| Protective System technicians | 2 @ \$110k = \$ 220,000 |
| Equivalent Overtime | 7.82@ \$123k = \$ 962,000 |
| Field Supervisor | 5 \$ 0 |
| EH&S Specialist | 1 \$ 0 |
| Accounts Payable | \$525,000 |
| Total Incremental | \$4,897,000 |
| Historic Year | \$315,000 |
| Total | \$5,212,000 |

Q78 C - Substation Operations labor identified in the new facilities program is located Exhibit _AP-5 Schedule 8 Page 1 on lines 24 and 35.

CPB 79

Company Name: Con Edison
Case Description:
Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10
Date of Response: 08/12/2008
Responding Witness: IIP

Question No. :79

Subject: Infrastructure Investment Panel/Exhibit__(IIP-13): (a) Explain in detail how the Company determined the added man power requirements as shown on pages 74 and 75, for Staff Augmentation for Existing Facilities, show the cost calculation and identify how many of the positions have been filled and when. (b) Identify what line(s) the respective labor dollars in (a) are included in on Exhibit__(AP-5) Schedule 8, Page 1. (c) Provide a summary of the proposed betterments on page 76, for Facilities Betterment – Structural Integrity and provide supporting documentation for the cost estimates. Also explain why there was no work performed in 2007. (d) Provide a summary of the proposed corrective maintenance on page 71, for Corrective Maintenance Normalization and provide supporting documentation for the cost estimates. Also explain why there was no work performed in 2007. (e) Provide a summary of the proposed increased inspections and maintenance on page 70, for Bus Enclosure Reliability and provide supporting documentation for the cost estimates. (f) Provide supporting documentation for the cost estimates on page 73, for Filed Operations Trainers.

Response:

Q79 – A – As indicated in the white paper referred to above, the 16 additional persons effectively correspond to 24 hour coverage by one person at each of 4 substations in order to address responsibilities associated with the installation of additional equipment at existing stations in conjunction with load growth and the need to consistently meet aggressive feeder processing goals, which is required to meet high levels of customer service. Key southern region stations (Corona, Bensonhurst, Goethals) were identified to receive additional staffing, as well as additional roving station coverage for the Bronx and Westchester.

Substation Operations priced out all direct labors (16 Operators) at the actual average 2007 labor rate (ManHour Rate) of \$67.37 per hour. The average ManHour Rate of \$67.37 is multiplied by the actual average productive hours per employee of 1,627 (available hours to do hands-on work) which equals approximately \$110k per field employee. (16 HR's multiplied by \$110k annual amount = \$1,760k).

Substations plans to fill all 16 operational positions related to this initiative, in the 3rd and 4th quarters of 2008.

Q79 – B – Substation Operations labor for the Operational Staffing Augmentation is located on lines 14 and 24 (Operations Transmission & Distribution) of the Exhibit (AP-5) Schedule 8, Page 1.

Q79 – C – Substation Operations has established a Structural Integrity / Station Betterment program. The details of our planned expenditures are as follows:

The details for our future average annual planned expenditures of \$2.3 million per year are as follows:

| | |
|---------------------------------------|----------|
| Station, Equipment and Tower Painting | - \$.8M |
| Concrete Footings and Walls | - \$.6M |
| Trough Covers | - \$.4M |
| East 13th Street Flight Deck | -\$.5M |

The basis for the cost estimates for various infrastructure improvements were based on Supervisor station inspections. Estimates provided in most cases represent an approximate cost based on historical expenditures for similar work scopes.

Substation Operations did not have a formalized Structural Integrity / Station Betterment program in place in 2007. Although, minor expenditures for facility maintenance were incurred they were reparative in nature and did not address the broad-brush programmatic scope of our future plans to address our aging infrastructure. See also the Company's response to Staff 476.

Q79 – D – Substation Operations has a Corrective Maintenance Normalization program. The details of our planned expenditures are as follows:

See below for program details related to future labor and material requirements for Substation Operations Corrective Maintenance Normalization.

Back- Up Corrective Maintenance Normalization (\$1.4 Million)

| | Hours | Rate | Labor \$ | Material \$ | Unit \$ | Units | Ttl Amt | Ttl Lbr Hrs | Ttl AP \$ |
|---------------------------------|-------|-------|----------|-------------|---------|-------|---------|-------------|-----------|
| Type U Bushing Changeout | 1,135 | 67.37 | 76,465 | 80,000 | 156,465 | 2 | 312,930 | 2,270 | 160,000 |
| Transformer Overhauls | 1,135 | 67.37 | 76,465 | 55,000 | 131,465 | 1 | 131,465 | 1,135 | 55,000 |
| CM on Transformers | 22.2 | 67.37 | 1,496 | 1,785 | 3,281 | 10 | 32,806 | 222 | 17,850 |

| | | | | | | | | | |
|------------------------------------|------|-------|-------|-------|--------------------|-----|------------------|---------------|----------------|
| CM on Circuit Breakers | 20.5 | 67.37 | 1,381 | 4,460 | 5,841 | 10 | 58,411 | 205 | 44,600 |
| CM on Cubicles | 18.0 | 67.37 | 1,213 | 4,460 | 5,673 | 5 | 28,363 | 90 | 22,300 |
| CM on Disc. Switches | 18.5 | 67.37 | 1,246 | 546 | 1,792 | 10 | 17,923 | 185 | 5,460 |
| | | | | | Eqpt Total | | 581,899 | 4,107 | 305,210 |
| Facilities Corrective Mtce. | 40 | 67.37 | 2,695 | 1,200 | 3,895 | 212 | 825,698 | 8,480 | 254,400 |
| | | | | | Grand Total | | 1,407,596 | 12,587 | 559,610 |

| | | | | | |
|-------------------------------|-------------|-----------|--------------|-------------|-------------------|
| Total Hours / Labor \$ | Eqpt | FM | Total | Rate | Labor \$ |
| | 4,107 | 8,480 | 12,587 | 67.37 | 847,986 Labor EOE |

| | | | | |
|-------------------------------|-------------|-----------|--------------|----------------|
| Total Accounts Payable | Eqpt | FM | Total | AP |
| | 305,000 | 254,400 | 559,400 | 559,400 AP EOE |

Total Amt. 1,407,386

Rounded to 1.4 Million

In 2007, Substation Operations under-ran corrective maintenance labor by 10,110 hours, due to a labor shift from O&M to capital. In addition, corrective maintenance labor hour's backlogs grew in 2007. The 2,487 incremental corrective maintenance labor hours, are required above the shift of 10,113 hours in order to maintain backlogs at a manageable level. Substation Operations under-ran the corrective maintenance budget due to a shift of labor from O&M to capital, in order to address higher priority capital work. See also the Company's response to various interrogatories, including Staff 388 and 474, as well as CPB 61.

Q79 – E – Substation Operations has established a Bus Enclosure Reliability program. Manhattan Substations has incurred an increase in bus failures from 2005 to present due to water intrusion coupled with existing dirt and dust.

2005 - 14 bus failures
2006 - 20 bus failures
2007 - 30 bus failures

The resulting electrical tracking caused flashovers which led to varying degrees of bus and insulator damage. A common trend here is moisture entering the bus enclosures,

either through direct rain seepage or heavy condensation, this moisture mixing with existing dirt and dust and creates an electrical path to ground.

This program will improve system reliability, reduce potential interruption to customers, avoid potential personal injury and major damage to equipment, and avoid a negative environmental impact. The details of our planned incremental expenditures are as follows:

| | |
|---------------------------------|--------------|
| Company Labor | - \$80k |
| Parts & materials | - \$20k |
| Bucket Truck / Crane | - \$10k |
| Kemper Seal (moisture proofing) | - \$15k |
| Total Amount per unit | - \$124k |
| Number of Planned Units | 4 per year |
| Incremental Dollar Amount | -----\$ 498k |

See also the Company's response to Staff 473.

Q79 – F – Substation Operations established the three (3) new Field Operations Trainer positions in 2008. This newly developed position provides direct (hands on) training support to field employees as an adjunct to the formalized classroom training.

Substation Operations currently has 100 substations (39 Transmission and 61 Distribution) that span all five boroughs and Westchester. The large geographical footprint of the organization, coupled with the number of employees in training require having one Field Operations Trainer in each geographical region (Manhattan, North - Bronx / Westchester, South - Brooklyn, Queens, Staten Island) in order to adequately address our future training needs. There are a total of 737 Field employees being covered by 3 Field Operations Trainers, which represents of ratio 246 to 1. It should be noted that there are a significant number of junior employees (214), which represents a Field Operations Trainer / Junior Employee ratio of 71 to 1. In addition, these newly created positions will directly support our corporate initiatives of achieving "Operator Excellence" and providing continuous improvement in the workplace.

The 3 newly created positions were priced out utilizing the 2007 actual rates of pay for a 2L management level employee (\$95k gross / \$51.5k net) at the actual O&M percentage for 2007 of 54.2%. (salary values received from Human Resource Department)

See below for detailed labor calculations.

Three 2L positions at 95k per year (basic rate)

| 2L Pos | O&M % | Net |
|--------|-------|--------|
| 95,000 | 54.2% | 51,490 |
| 95,000 | 54.2% | 51,490 |

| | | |
|-------------------|-----------------|------------------|
| 95,000 | 54.2% | 51,490 |
| | Total \$ | 154,470 |
| Rounded to | | \$154,000 |

See also the Company's response to Staff 471.

CPB 80

Company Name: Con Edison
Case Description:
Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10
Date of Response: 08/14/2008
Responding Witness: IIP

Question No. :80

Subject: Infrastructure Investment Panel/Exhibit__ (IIP-12): (a) Explain in detail how the Company determined the added man power requirements as shown on pages 26 and 27, for the Customer Focused Service Ruling Program, show the cost calculation and identify how many of the positions have been filled and when. (b) Identify what line(s) the respective labor dollars in (a) are included in on Exhibit__ (AP-5) Schedule 8, Page 1. (c) Provide a summary of the number of engineering staff handling the customer requests discussed on page 26, for the Customer Focused Service Ruling Program, for each of the years 2005-2007. (d) Provide a breakdown of the cost by the pilot programs listed on pages 28 and 29 of the Smart Electric Technologies Program, identify where the cost benefit to ratepayers is reflected in the filing and explain why the Company feels it is required to encourage economic growth in commercial refrigeration.

Response:

(a) Explain in detail how the Company determined the added man power requirements as shown on pages 26 and 27, for the Customer Focused Service Ruling Program, show the cost calculation and identify how many of the positions have been filled and when.

In recent years, NYC has issued record levels of new permits for new and or renovated buildings. There were 31,902 permits for new units of privately owned housing in 2007, 30,927 in 2006 and 31,599 in 2005 for New York City. Over the three year period, this significant increase in permit/construction activity has resulted in a 7% increase in our service ruling activity. During this time, our engineering resources have remained relatively constant. Increased work volumes have directly impacted our ability to evaluate, design and develop construction documents for the larger major projects in a timely manner.

In order to achieve a high level of customer satisfaction, it is important that these more complex designs are completed and communicated timely to our customer, to enable them adequate time to plan and incorporate the Company's service needs into their building design. Additionally, many of these larger projects progress on an accelerated construction schedule and any delays on our part severely impact the customer's schedule. Timely communicating the Company's service requirements avoids a customer from incurring costly building redesigns and construction delays.

Given these work volume increases and the significance of providing customers' information timely on large projects, the need to increase our Engineering staff by 12 is paramount. This increase in resources will provide adequate staffing levels to achieve the customer focus expected at all levels necessary to meet their business needs and expectations.

| Total Workload | | | |
|--------------------------------------|---|------|----------------|
| | 2008 - 2011 Work Unit Projections | R/Es | HOURS REQ'D |
| Appropriations (> \$100,000) | 125 | 36.0 | 4,500 |
| Electric Rulings Non-Vault | | | |
| UG with PVL | 843 | 40.0 | 33,720 |
| UG/OH without | | | |
| PVL | 6,850 | 3.5 | 23,975 |
| Electric Rulings Vault -- Vault Type | 480 | 40.0 | 19,200 |
| Electric Layouts --Vault & B&A's | 200 | 68.0 | 13,600 |
| --Pad | 61 | 7.0 | 427 |
| -- RDV | 30 | 16.0 | 480 |
| Electric Layouts -- Non-Vault | 4,620 | 4.5 | 20,790 |
| Miscellaneous (Specify :) | | | |
| Transformer Codings | 200 | 2.0 | 400 |
| Hi-Tension Specs | 2 | 40.0 | 80 |
| Claims | 15 | 7.0 | 105 |
| Short Circuit Requests | 200 | 1.0 | 200 |
| EDF Estimates | 32 | 4.0 | 128 |
| Accommodation Detailed Estimates | 464 | 5.0 | 2,320 |
| Underground to Overhead | 261 | 1.5 | 392 |
| Transformer Costs | 60 | 1.0 | 60 |
| Billing Jobs - Vouchers | 99 | 2.0 | 198 |
| Engineering Analysis & Design | 100 | 32.0 | 3,200 |
| Total Units/REs/Hours Req'd | 14,726 | | 125,450 |
| Human Resources Required | | | 76 |

| | | | Number of Positions | Date Filled |
|--|----------------------------|------------------|--------------------------------|------------------------|
| Customer Focused Service Ruling Program | Energy Services | Designers | 12 | 12/10/2007 |
| | | | | 12/14/2007 |
| | | | | 1/7/2008 |
| | | | | 1/22/2008 |
| | | | | 3/21/2008 |
| | | | | 5/16/2008 |
| Customer Response Program | Energy Services | CSR's | 6 | 5/27/2208 |
| | | | | 12/2/2007 |
| | | | | 1/20/2008 |
| | | | | 4/6/2008 |
| | | | | 7/7/2008 |
| | | | | 6/30/2008 |
| | | | | 6/30/2008 |

(b) Identify what line(s) the respective labor dollars in (a) are included in on Exhibit __ (AP-5) Schedule 8, Page 1.

Are part of line 44 (Energy Services) in the Company Labor column.

(c) Provide a summary of the number of engineering staff handling the customer requests discussed on page 26, for the Customer Focused Service Ruling Program, for each of the years 2005-2007.

Given these work volume increases and the significance of providing customers' information timely on large projects, the need to increase our Engineering staff by 12 is paramount. This increase in resources will provide adequate staffing levels to achieve the customer focus expected at all levels necessary to meet their business needs and expectations.

The staffing level has been as follows:

Various technician titles

2005 - 46

2006 - 48

2007 - 52

(d) Provide a breakdown of the cost by the pilot programs listed on pages 28 and 29 of the Smart Electric Technologies Program, identify where the cost benefit to ratepayers is reflected in the filing and explain why the Company feels it is required to encourage economic growth in commercial refrigeration

The breakdowns of per program costs are not available at this time as pilot program budgets are developed when technologies are selected. The purpose of pilot programs for technologies that are in the R&D or early development stage is to determine among other considerations, if there is cost benefit to ratepayers in deploying the technology to market. Commercial refrigeration was only considered as a potential and the Company has not made a decision on this program as it considers other technologies.

CPB 81

Company Name: Con Edison
Case Description:
Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10
Date of Response: 08/15/2008
Responding Witness: IIP

Question No. :81

Subject: Infrastructure Investment Panel/Exhibit__(IIP-15): (a) Explain in detail how the Company determined the added man power requirements as shown on pages 41 (RMS Task Force), 42 (Electric Engineering & Field Support) and 43 (Electric O&M Vault Repairs), show the cost calculation and identify how many of the positions have been filled and when. (b) Identify what line(s) the respective labor dollars in (a) are included in on Exhibit__(AP-5) Schedule 8, Page 1. (c) Provide for each year 2005-2007 a summary of the number of staff handling the programs discussed on page 42 (Electric Engineering & Field Support) and the capital cost incurred in each of the respective years and include a comparative capital project cost for the rate year 2010 along with the number of staff required to meet the needs discussed. (d) Provide a detailed summary of the 2007 costs for Vault Repairs on page 43, by type, the number repaired and identify the number of personnel performing the repairs. Also provide a detail summary, by type, of the cost requested in rate year 2010, the number of vaults required to be repaired and explain how the added number of positions were determined.

Response:

(a) In response to the RMS Task Force manpower requirement:

The seven two-person (7) crews will be assigned as follows: (1) crew to Brooklyn, (1) crew to Queens, (3) crews to Manhattan {one crew in each of Manhattan's Electric Operations areas: E. 16th Street, W. 28th Street, and 110th Street}, (1) crew to the Bronx, and (1) crew to Westchester. The level of seven (7) crews is consistent with workload based on RMS transmitter failure rates, wiring harness failure rates, investigation/resolution of RMS reporting issues, and resolution of switch checks. There are currently 23,615 remote monitor transmitters on the system. These transmitters are categorized by "generation": "First" generation transmitters were installed at the program's inception starting in 1982 through 1995; "Second" generation transmitters were installed from 1995 until 2006; "Third" generation (with pressure, temperature, and oil sensors) were installed starting in 2006. There are approximately 30 new RMS reporting issues needing resolution daily. The seven (7) crews, working at an average rate of three RMS issues per crew per day, will be able to resolve 21 out of the 30 daily issues; the remaining 9 issues daily will be handled by local area crews. Additionally, please see response to DPS Set #15, DPS-223. At this time, none of the personnel have been hired.

In response to Electric O&M Vault Repairs:

- 1,575 available hours @\$84/manhour rate equates to \$132K X 4 Mechanics = \$529K. This manpower forecast was based on the increased number of vault repairs required due to the 5 Year Safety Inspection Program, in conjunction with determining how many repairs could be performed by internal forces as opposed to contractors.

The average number of employees at year end December, 2007 was 27 and our current average year to date (July 2008) is 32 employees. At December, 2008 the budget is 39 employees which we are striving to attain.

In response to Electric Engineering and Field Support

- Please see response to DPS16-260. To date, none of these positions have been filled.

(b) Identify what line(s) the respective labor dollars in (a) are included in on Exhibit __ (AP-5) Schedule 8, Page 1.

For the RMS program change of \$1.820 million and the Electric Engineering & Field Support of \$1.896 million, both of which involves Company Labor, the amounts are included in Exhibit __ (AP-5), Schedule, 8, Engineering & Other Services, line 22 under MAG 44, Distribution Operation. The program change for O&M Vault Repairs of \$1.957 million, which consists of \$1.272 million of Company Labor is included in Schedule 8, Network, line 30 under MAG 54.

(c) Provide for each year 2005-2007 a summary of the number of staff handling the programs discussed on page 42 (Electric Engineering & Field Support) and the capital cost incurred in each of the respective years and include a comparative capital project cost for the rate year 2010 along with the number of staff required to meet the needs discussed.

| | 2005 Actual | 2006 Actual | 2007 Actual |
|--------------------------|-------------|-------------|-------------|
| Engineering Staff Levels | 288 | 308 | 325 |
| Expenditures (\$000) | 282,533 | 374,443 | 420,016 |

| | 2009 (RYE 2010) |
|--------------------------|-----------------|
| Engineering Staff Levels | 339 |
| Expenditures (\$000) | 439,934 |

(d) Provide a detailed summary of the 2007 costs for Vault Repairs on page 43, by type, the number repaired and identify the number of personnel performing the repairs. Also provide a detail summary, by type, of the cost requested in rate year 2010, the number of

vaults required to be repaired and explain how the added number of positions were determined.

- Historical cost of \$2.591 million equated to approximately 37 repairs in 2007. The average cost of a repair in the historic year, 2007 was \$70,000. This unit cost was utilized to calculate the dollars required for the future periods. In 2010, the expectation is to complete an additional 28 repairs, for a total of \$1.9 million.

A further cost breakdown by element of expense is provided on the worksheet submitted with the program's white paper.

Crews: In the past, most vault repairs were performed by contractor forces managed by Construction Management. Only a limited amount of vault repairs were performed by Company forces.

In the last two years, Company forces have ramped up from 2 (two person) full time crews to 3 (two person) full time crews. Company forces handle mainly smaller scale repairs such as wall refurbishment, and roof slab replacement and fabrications. Looking forward, in effort to meet the volume of required repairs, we are seeking to add 4 more crews.

CPB 82

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/15/2008

Responding Witness: IIP

Question No. :82a

Subject: Infrastructure Investment Panel/Exhibit __ (IIP-18): (a) For each program explain in detail the difference between the estimate for rate year 2010 in this case and the amounts identified for 2010 in Case 07-E-0523.

Response:

See attached.

**CPB 82(a)
Attachment**

CPB Set 10 – 82a Attachment

| Program | Explanation |
|--|--|
| Oil Minders | No change. |
| Vented Manhole Cover | No change (funded in UG reliability program) |
| Street Light Isolation Transformers | <p>For rate year 2010, we originally requested \$6.1 million for the installation of streetlight isolation transformers in the bases on NYC streetlights. Subsequent to this request, the PSC directed the company to install the units in manholes/services boxes so that they would afford a better protection factor (an improvement from 78% to 98% plus protection); and also directed that Westchester County be included.</p> <p>Installation of the units in service boxes required a re-design of the units, development of new mini-crab connectors suitable for submersion, implementing new crimping techniques, and the use of more highly skilled workers to perform the installation. The net effect of the changes was the change of the four year, \$6.1 million per year program into a nine year, \$10.5 million per year program that is now integrated with the 5 year safety inspection program.</p> |
| DGOA | <p>As the DGOA data between the 2008 and 2009 rate cases was analyzed, we noted that the number of samples per year was exponentially increasing due to the number of units that were categorized as on watch and requiring quarterly samples. Our original goal for unique samples of units with no DGOA history remains at approximately 5,000 per year, however, the actual number of samples, which includes the units on watch, is increasing by approximately 500 per year. The 2008 rate case reflects an increase of approximately 1,000 units to be resampled by company forces, and an estimated 50% reduction of vendor samples. The increase of in-house samples is as a result to reduce costs and to increase the efficiency of the number of samples drawn by incorporating the sampling activity with other field activities that requires entry to the underground structures.</p> |
| 5 Year OH Inspection Program | <p>The difference between the forecasted 2010 costs of \$5.661 million in Case 07-E-0523 and the forecasted 2010 costs of \$3.226 million in Case 08-E-0539 is due to two factors. Firstly, the contract to perform the work was re-bid. The lower contractor cost resulted in a \$700,000 reduction to the initial estimate. A five year contract was awarded in May 2008. Secondly, the revision of the projected failure rates using a more recently historical average resulted in a \$1.2 million reduction in the estimated cost of repairs. Overall, both of these factors account for the difference in the forecasted 2010 costs identified in this case and Case 07-E-0523.</p> |
| 5 Year UG Structure Inspection Program | <p>The decrease is attributed to the revised contractor cost estimates based on the two year contract awarded in 2008.</p> |

CPB Set 10 – 82a Attachment

| | |
|--|--|
| Annual Stray Voltage Testing Program | Refer to interrogatory set 10 - #82(e) |
| EDIS Improvements | Due to increased use of the EDIS application, further enhancements were identified. The funding request was increased to \$200k to hire additional consultant resources to facilitate the enhancements and reporting capability of the EDIS application. |
| Mobile Stray Voltage Testing | Refer to interrogatory set 10 - #82(e) |
| Network Transformer Vault Cleaning Program | The incremental increase is associated with increased contractor costs. |
| Central Quality Assurance | <p>The reason for the increase is Central Quality Assurance went from a clearing organization to 100% O&M. The following is the detail to the funding change.</p> <p>Old Method (Clearing – 85% capital, 15% O&M)</p> <ul style="list-style-type: none"> • Staff of 21 • Total budget \$2.1M which clears to <ul style="list-style-type: none"> • O&M \$315,000 • Capital \$1,785,000 <p>New Method (100% O&M)</p> <ul style="list-style-type: none"> • Staff of 41 • Total budget \$4.6M all O&M breakdown as follows <ul style="list-style-type: none"> • Labor: <ul style="list-style-type: none"> • 8 Sr Specialists @ \$97,000 ea = \$774,000 • 28 QA Insp (mixed wkly&gmt) @ \$84,000 ea = \$2,352,000 • 4 Planners @ \$101,000 ea = \$404,000 • 1 Sect Mgr @ \$115 ea = \$115,000 • 41 Employees = \$3,645,000 <p>See also response to CPB 82h.</p> |

Company Name: Con Edison
Case Description:
Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10
Date of Response: 08/11/2008
Responding Witness: IIP

Question No. :82b

Subject: Infrastructure Investment Panel/Exhibit __ (IIP-18): (b) Explain why in Case 07-E-0523 the 5 Year Overhead Inspection costs were estimated to be \$5.443 million in rate year 2009 but on page 8 the forecast for 2009 is \$3.226 million and on Exhibit __ (IIP-7), page 1 the 2009 amount is \$1.089 million.

Response:

(b) Explain why in Case 07-E-0523 the 5 Year Overhead Inspection costs were estimated to be \$5.443 million in rate year 2009 but on page 8 the forecast for 2009 is \$3.226 Million and on Exhibit __ (IIP-7), page 1 the 2009 amount is \$1.089 million.

The breakdown of the estimated costs by year is provided in the table below. The initial 2007 estimates (provided for case 07-E-0523) estimated the contractor costs for inspection at \$18.32 dollars per unit for the total cost of \$1,099,200. In May of 2008 the contract was awarded to the lowest bidder at a unit cost of \$5.16 for a total inspection cost of \$309,600 that reduced the initial estimate by ~ \$700,000. Additionally, the estimated cost of repairs for 2009 was reduced by ~ \$1.2 Million dollars based on the revised failure rates using the year to date historical average.

The \$1.089 million is amount allowed in rates in case 07-E-0523 to complete inspections of 20 percent of the overhead system in the rate year starting April 1, 2008.

| | 2007 Initial Estimates (Based on Pending Contract) | 2008 Actual Case 07-E-0523 | 2009 Revised Estimates (Based on Awarded Contract) Case 08-E-0539 |
|-----------------|--|-------------------------------|---|
| Inspection | \$1,099,200 | \$309,600 | \$309,600 |
| Repairs | \$3,753,000 | (\$384,000.00) | \$2,521,200 |
| QA and Overhead | \$591,600 | \$395,400 | \$395,400 |
| Total | \$5,443,800 | \$705,000 | \$3,226,200 |

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/11/2008

Responding Witness: IIP

Question No. :82c

Subject: Infrastructure Investment Panel/Exhibit __ (IIP-18): (c) Provide a more detailed explanation of the inspections required, for the UG Inspection Program, including a reconciliation of the numbers provided on page 9 (i.e. the discussion states that 272,027 inspections must be performed, the justification states that between 2005 and 2007 “we completed 236,000 gross inspections” yet the justification states that there 149,000 inspections remaining).

Response:

The term “Gross Inspections” accounts for multiple inspections on the same structure. There were 236,000 inspections performed on 123,027 structures. Gross inspections are performed in conjunction with routine work. The goal for the program is to visit each structure at least once within a 5 year period.

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/15/2008

Responding Witness: IIP

Question No. :82d

Subject: Infrastructure Investment Panel/Exhibit __ (IIP-18): (d) Explain why the contractor for UG Inspections on page 9 are cheaper than the Company's internal cost.

Response:

The reason for the higher unit cost is that more complicated repairs are completed by Company forces.

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/11/2008

Responding Witness: IIP

Question No. :82e

Subject: Infrastructure Investment Panel/Exhibit __ (IIP-18): (e) Explain the increase in the combined stray voltage testing program costs for the rate year 2010 which was \$24.309 million in Case 07-E-0523 (See IIP-8) and the current 2010 cost of \$29.959 million as shown Exhibit __ (IIP-18).

Response:

The increase in the combined stray voltage program costs from Case 07-E-0523 to Case 08-E-0539 is due to several factors. The first stray voltage testing program, the Mobile Stray Voltage Detection Program, increased in cost from \$11.3 million to \$21 million, due primarily to two factors: first, in the '07 rate case, the operational (testing) costs to run the vehicles was underestimated, as the awarded contract to operate the vehicles was significantly higher than expected; second, the Public Service Commission increased the amount of testing to be conducted with the Mobile Stray Voltage Detection vehicles, from 8 system scans to 12 system scans per rate year. This resulted in several more increases: The operational (testing) costs increased as it required more vehicles to be deployed on a nightly basis; Also, there was an increase in the Company's use of site-safety contractors to safeguard an area when stray voltage is found, as more stray voltages were found with increased scanning; And, with an increased number of stray voltages, there was an increase in the use of the emergency response crews to mitigate the stray voltage, as well as an increase in the total cost of repairs.

The second stray voltage testing program, the Annual Stray Voltage Testing Program, actually decreased in cost, from \$13 million to \$8.9 million. This was due to the fact that the awarded contracts for stray voltage testing were lower than initially expected in the '07 rate case. In addition, the historical numbers of stray voltages found through the Annual program have decreased by over 25%, resulting in lower costs for the site-safety personnel required to safeguard an area with stray voltage, fewer instances that require emergency crew response, and fewer repairs to make.

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/15/2008

Responding Witness: IIP

Question No. :82f

Subject: Infrastructure Investment Panel/Exhibit__(IIP-18): (f) Provide supporting documentation for the vault cleaning cost estimates on page 17.

Response:

The following is based on the currently effective Clean Venture purchase order.

•Breakdown of vault cleaning cost estimate:

Monday to Friday rate for a 3 man crew - \$2000

Daily Transportation fee to the TSDF - \$600

Disposal of non hazardous waste per ton of debris - \$200

2009- system wide there are approximately 5064 structures to be cleaned.

Based on past history using contractors to clean transformer structures, we estimate they will accomplish 3 completions in an 8 hour shift. On average they will generate 1.5 tons of non-hazardous debris from each structure or 4.5 tons of debris daily.

•To accomplish 5064 annual completions, we require 7 crews daily completing 3 structures, daily they will generate 31.5 tons of debris. With 21 daily completions we will require 245 days of service to complete all the structures.

Daily rate \$2000 X 7 crews = \$14,000

+ 7 transportation trips @ \$600 =\$4,200

+ 7 crews X 4.5 tons = 31.5 tons @ \$200per ton = \$6,300.00

Daily total = \$24,500 x 254 days = \$6,223,000.00 (includes estimate for some Sunday activity).

Company Name: Con Edison
Case Description:
Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10
Date of Response: 08/15/2008
Responding Witness: IIP

Question No. :82g

Subject: Infrastructure Investment Panel/Exhibit__(IIP-18): (g) Explain how the descriptions and the unit and unit cost detail on pages 16 and 17 are exactly the same as the detail provided for the Vault Cleaning Program in Case 07-E-0523 (i.e. the information is exactly the same except the titles have been changed and/or moved around in the workpaper) yet the rate year 2010 funding has increased from \$6.208 million to \$6.951 million.

Response:

The funding requested in the last case did not include the \$700k for Con Ed support expenditures. Please see page 16-17 of Exhibit IIP-18.

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/15/2008

Responding Witness: IIP

Question No. :82h

Subject: Infrastructure Investment Panel/Exhibit__(IIP-18): (h) Provide a detailed summary of the costs, by type, that result in the rate year total of \$4.587 million for Quality Assurance as shown on pages 19 and 20 showing all calculations and providing supporting documentation for non labor costs. Also provide a summary of the positions added or to be added and an explanation as to how the requirement was determined along with any studies made to assist in this determination.

Response:

See attached.

**CPB 82(h)
Attachment**

CPB10-82h Attachment

Part 1

Since the QA section has evolved into a new organization, our projections are based on anticipated expenses since there is no historical basis. The following are our projected labor requirements for field QA inspections and their associated costs.

- Labor Cost for 41 people \$3.645M
- In 2007, the QA group's O&M went through Operation Services clearing accounts and the 2007 O&M budget was based on a clearing rate of 14.1% to O&M. In reviewing the Operations Services – QA clearing account U8452, it shows total charges for 2007 of \$1.355 million. The \$190k charge was calculated by taking the \$1.355 M and using the 14.1% rate for the O&M allocated charge. A subsequent reallocation resulted in 2008 where the QA organization is now 100% O&M and corresponds with additional budget funding.
- The \$752k non-labor costs are comprised of:
 - Interdepartmental charges of \$120K for vehicle related expenses associated with the maintenance of the cars, vans and trucks.
 - Accounts Payables (\$340K) would consist of training expenditures, software expenses, routine parts and supplies ordered via ARIBA (Purchasing), office expenses, approved safety clothing purchases, E-Z Pass charges and other charges processed via Purchasing.
 - The material & supplies (\$200K) and misc. expenses (\$92K) are the normal and routine expenditures that would be considered consumable tools and materials associated with your personnel performing their functions.

Part 2

The original white paper on the establishment of the centralized QA group is attached. The establishment of the QA group is divided into two phases. The first phase of 21 people was based on reallocation of existing resources. The second phase includes 20 new positions. The QA organization is comprised of two groups – QA Inspections and QA Reviews.

The total staffing of the QA group is comprised of the following:

- QA Inspector 32
- QA Planner 2
- QA Sr. Specialist 6
- Manager 1

The table below represents an example of the type QA Inspections and the required personnel. This group is run by 2 Planners in addition to the 32 people.

| Program # | Program Name | # of Inspections | Manpower / Inspection | Inspections / Day | Days / Year | Personnel Required |
|-------------|--------------------------------|------------------|-----------------------|-------------------|-------------|--------------------|
| 2007-I-0001 | Underground inspections | 400 | 2 | 2 | 209 | 2.00 |
| 2007-I-0002 | Overhead inspections | 400 | 2 | 4 | 209 | 1.00 |
| 2007-I-0003 | Secondary splicing work | 400 | 2 | 2 | 209 | 2.00 |
| 2007-I-0004 | Primary splicing | 400 | 2 | 2 | 209 | 2.00 |
| 2007-I-0005 | Work in progress | 200 | 2 | 1 | 209 | 2.00 |
| 2007-I-0006 | Spec Compliance - OH | 800 | 2 | 4 | 209 | 2.00 |
| 2007-I-0010 | Spec Compliance - Networks | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0012 | Spec Compliance - USS | 30 | 2 | 2 | 209 | 1.00 |
| 2007-I-0020 | Stray Voltage - OH | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0021 | Stray Voltage - UG | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0022 | Stray Voltage - SL | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0023 | Service Connections - new | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0024 | Service Connections - retrofit | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0025 | Construction Management | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0026 | New Program - 01 | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0027 | New Program - 02 | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0028 | New Program - 03 | 400 | 2 | 3 | 209 | 2.00 |
| | Total | 6,630 | | | | 32.00 |

| |
|--|
| Days/ year calculation total days (52 * 5) vacation (5 weeks * 5 days) training holidays Sick working days |
|--|

The table below represents an example of the type QA Reviews and the required personnel. This group reports directly to the QA manager.

| Program # | Program Name | # of Inspections | Manpower / Inspection | Inspections / Day | Days / Year | Personnel Required |
|-------------|--------------------------------|------------------|-----------------------|-------------------|-------------|--------------------|
| 2007-I-0001 | Underground inspections | 400 | 2 | 2 | 209 | 2.00 |
| 2007-I-0002 | Overhead inspections | 400 | 2 | 4 | 209 | 1.00 |
| 2007-I-0003 | Secondary splicing work | 400 | 2 | 2 | 209 | 2.00 |
| 2007-I-0004 | Primary splicing | 400 | 2 | 2 | 209 | 2.00 |
| 2007-I-0005 | Work in progress | 200 | 2 | 1 | 209 | 2.00 |
| 2007-I-0006 | Spec Compliance - OH | 800 | 2 | 4 | 209 | 2.00 |
| 2007-I-0010 | Spec Compliance - Networks | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0012 | Spec Compliance - USS | 30 | 2 | 2 | 209 | 1.00 |
| 2007-I-0020 | Stray Voltage - OH | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0021 | Stray Voltage - UG | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0022 | Stray Voltage - SL | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0023 | Service Connections - new | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0024 | Service Connections - retrofit | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0025 | Construction Management | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0026 | New Program - 01 | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0027 | New Program - 02 | 400 | 2 | 3 | 209 | 2.00 |
| 2007-I-0028 | New Program - 03 | 400 | 2 | 3 | 209 | 2.00 |
| | Total | 6,630 | | | | 32.00 |

| |
|---|
| Days/year calculation total days (52 * 5) vacation (5 weeks * 5 days) training holidays Sick working days |
|---|

| Program # | Program Name | People |
|------------------|---|---------------|
| 2007-R-0001 | Underground inspections - B/Q | 0.3 |
| 2007-R-0002 | Underground inspections - B/W | 0.3 |
| 2007-R-0003 | Underground inspections - M | 0.3 |
| 2007-R-0004 | Underground inspections - SI | 0.3 |
| 2007-R-0005 | Safety Talk Compliance | 0.3 |
| 2007-R-0006 | OJT Compliance | 0.3 |
| 2007-R-0007 | OH Curriculum review - GUW | 0.3 |
| 2007-R-0008 | OH Curriculum review - Mech B | 0.3 |
| 2007-R-0009 | OH Curriculum review - Line Constructor | 0.3 |
| 2007-R-0010 | OH Curriculum review - Line Constructor HV | 0.3 |
| 2007-R-0011 | OH Curriculum review - Line Constructor CLC | 0.3 |
| 2007-R-0012 | UG Curriculum review - GUW | 0.3 |
| 2007-R-0013 | UG Splicer Curriculum review - GUW | 0.3 |
| 2007-R-0014 | Use of eTRAC - SI | 0.3 |
| 2007-R-0015 | Use of eTRAC - M | 0.3 |
| 2007-R-0016 | Use of eTRAC - B/Q | 0.3 |
| 2007-R-0017 | Use of eTRAC - B/W | 0.3 |
| 2007-R-0018 | Pole Inspection & Treatment | 0.3 |
| 2007-R-0019 | D-Faults - B/W | 0.3 |
| 2007-R-0020 | D-Faults - B/Q | 0.3 |
| 2007-R-0021 | D-Faults - M | 0.3 |
| 2007-R-0022 | D-Faults - S/I | 0.3 |
| Total | | 6.0 |

CPB 83(c)
CONFIDENTIAL

CPP 83 (f)

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10

Date of Response: 08/12/2008

Responding Witness: IIP

Question No. :83f

Subject: Infrastructure Investment Panel/Exhibit__(IIP-20): (f) Provide support for the use of 9,900 trees being removed a year and provide the number of Line Clearance Program trees removed for the years 2003-2007.

Response:

There were no significant tree removals prior to the 2007 program. We estimate that we will need to remove 9,900 trees to complete the program clearance for 2009 based on our work in 2007. As indicated in the white paper, the figure is based on removing 11 trees per mile, which is similar to level achieved in 2007 of 8,570 removals.

Company Name: Con Edison
Case Description:
Case: 08-E-0539

Response to CPB Interrogatories – Set CPB10
Date of Response: 08/15/2008
Responding Witness: IIP

Question No.: 84f

Subject: Infrastructure Investment Panel/Exhibit__ (IIP-25): (f) Provide supporting calculations for the cost estimate for the Enhanced Project Planning in Electric Operations Program on pages 16 and 17. Also provide the number of staff for this program for each of the years 2003-2007 and currently.

Response:

See responses to Staff 219.1-9 and attached.

| REGIONAL ENGINEERING SECTIONS | | | | |
|-------------------------------|-----------|---------------------|-----------------------|------------------|
| TITLE | Manhattan | Brooklyn/ Queens | Bronx/Wes tchester | Staten Island |
| CUST PROJ MGR-A | | | | |
| DEPT MANAGER | | 1 | | |
| ENGINEER | 4 | | 1 | |
| SR ENGINEER | | 2 | 4 | |
| MANAGER | 3 | 1 | 1 | |
| OPER GENL SUPV | | 1 | | |
| OPERATING SUPV | | 2 | | |
| SPECIALIST | 1 | | 2 | |
| SR SPECIALIST | | 1 | 2 | 1 |
| SECRETARY | | 1 | | |
| SR ANALYST | | | | |
| ENGRG SUPERVISOR | 7 | 13 | 4 | 4 |
| SECTION MGR | 1 | | | |
| MM | 16 | 22 | 14 | 5 |
| ENGRG AIDE TEMP | | | 6 | |
| ANALYST AIDE TEMP | 1 | 3 | | |
| ADMINISTR ASST | | | | |
| OFFICE ASST | | | | |
| ADMINISTR CLERK | | | 1 | |
| SR COORDINATOR | | 1 | | |
| CLERK IN CHARGE | | 1 | | |
| DISTRIBUTION SPLICER | | | | |
| SPLICER | | 4 | | |
| OUTPLANT MECH A | | 1 | | |
| MECH A | | | | |
| COML TECH REP | | | 1 | |
| SR ELEC TECH | 1 | | | |
| SR DIST CTL REP | | | 1 | |
| SR OFF ASST A | | 2 | | |
| DESIGNER | 6 | | 6 | 6 |
| JUNIOR DESIGNER | 15 | 20 | 15 | 5 |
| SENIOR DESIGNER | 19 | 32 | 27 | 7 |
| SR ENG DESIGN A | | 1 | | |
| SR TECH | | | 1 | |
| SR ENG TECH | 1 | | 1 | |
| SR ENG TECH A | 1 | | | |
| UNION | 44 | 65 | 59 | 18 |
| TOTAL | 60 | 87 | 73 | 23 |

| REGIONAL ENGINEERING SECTIONS | | | | |
|-------------------------------|-----------|---------------------|-----------------------|------------------|
| TITLE | Manhattan | Brooklyn/ Queens | Bronx/Wes tchester | Staten Island |
| CUST PROJ MGR-A | | | | |
| DEPT MANAGER | | 1 | | |
| ENGINEER | 5 | 1 | 1 | |
| SR ENGINEER | | 1 | 3 | |
| MANAGER | 3 | 1 | 1 | |
| OPER GENL SUPV | | 1 | | |
| OPERATING SUPV | | 2 | | 1 |
| SPECIALIST | 1 | | 2 | |
| SR SPECIALIST | | 1 | 1 | 1 |
| SR ANALYST | | | | |
| ENGRG SUPERVISOR | 7 | 18 | 7 | 4 |
| SECTION MGR | 1 | | | |
| MM | 17 | 26 | 15 | 6 |
| ENGRG AIDE TEMP | 1 | | 5 | 1 |
| ANALYST AIDE TEMP | 1 | 10 | | |
| ADMINISTR ASST | | 1 | | |
| OFFICE ASST | | | | |
| ADMINISTR CLERK | | 3 | 1 | |
| SR COORDINATOR | | | | |
| DISTRIBUTION SPLICER | | | | |
| SPLICER | | 5 | | |
| OUTPLANT MECH A | | | | |
| MECH A | | | | |
| COML TECH REP | | | 1 | |
| SR DIST CTL REP | | | 1 | |
| SR OFF ASST A | | 2 | | |
| DESIGNER | 6 | | 3 | 6 |
| JUNIOR DESIGNER | 22 | 22 | 16 | 7 |
| SENIOR DESIGNER | 16 | 26 | 25 | 6 |
| SR ENG DESIGN A | | 1 | | |
| SR ELEC TECH | 1 | | | |
| SR ENG TECH | 1 | | 1 | |
| SR ENG TECH A | 1 | | | |
| UNION | 49 | 70 | 53 | 20 |
| TOTAL | 66 | 96 | 68 | 26 |

| REGIONAL ENGINEERING SECTIONS | | | | |
|-------------------------------|-----------|---------------------|-----------------------|------------------|
| TITLE | Manhattan | Brooklyn/ Queens | Bronx/Wes tchester | Staten Island |
| CUST PROJ MGR-A | | | | |
| DEPT MANAGER | 1 | 1 | | |
| ENGINEER | 4 | 2 | 1 | |
| SR ENGINEER | | 1 | 1 | |
| MANAGER | 4 | 1 | 2 | |
| OPER GENL SUPV | | 1 | | |
| OPERATING SUPV | | 4 | | 1 |
| SPECIALIST | 1 | | 2 | 1 |
| SR SPECIALIST | 1 | 1 | 1 | |
| SR ANALYST | 1 | | | |
| ENGRG SUPERVISOR | 10 | 20 | 9 | 4 |
| SECTION MGR | 1 | | | |
| MM | 23 | 31 | 16 | 6 |
| ENGRG AIDE TEMP | | 6 | 5 | 1 |
| ANALYST AIDE TEMP | 1 | 2 | | |
| ADMINISTR ASST | | 1 | | |
| OFFICE ASST | | 1 | | |
| ADMINISTR CLERK | | 2 | 1 | |
| SR COORDINATOR | | | | |
| DISTRIBUTION SPLICER | | | | |
| SPLICER | | 6 | | |
| OUTPLANT MECH A | | | | |
| MECH A | | | | |
| COML TECH REP | | | 1 | |
| SR DIST CTL REP | | | 1 | |
| SR OFF ASST A | | 1 | | |
| DESIGNER | 9 | 1 | 6 | 6 |
| JUNIOR DESIGNER | 34 | 41 | 20 | 6 |
| SENIOR DESIGNER | 20 | 22 | 20 | 5 |
| SR ENG DESIGN A | | 1 | | |
| SR ELEC TECH | 1 | | | |
| SR ENG TECH | 1 | | 1 | |
| SR ENG TECH A | 1 | | | |
| UNION | 67 | 84 | 55 | 18 |
| TOTAL | 90 | 115 | 71 | 24 |

| REGIONAL ENGINEERING SECTIONS | | | | |
|-------------------------------|-----------|---------------------|-----------------------|------------------|
| TITLE | Manhattan | Brooklyn/ Queens | Bronx/Wes tchester | Staten Island |
| CUST PROJ MGR-A | | | | |
| DEPT MANAGER | 1 | | | |
| ENGINEER | 5 | 1 | 1 | |
| SR ENGINEER | | 1 | 1 | |
| MANAGER | 4 | 2 | 1 | |
| OPER GENL SUPV | | 1 | | |
| OPERATING SUPV | | 4 | | 1 |
| SPECIALIST | 1 | | 2 | |
| SR SPECIALIST | 1 | | 1 | 2 |
| SR ANALYST | 1 | | | |
| ENGRG SUPERVISOR | 13 | 17 | 10 | 4 |
| SECTION MGR | 1 | | | |
| MM | 27 | 26 | 16 | 7 |
| ENGRG AIDE TEMP | | 4 | 5 | 1 |
| ANALYST AIDE TEMP | 1 | 9 | | |
| ADMINISTR ASST | | 2 | | |
| OFFICE ASST | | | | |
| ADMINISTR CLERK | | 5 | 1 | |
| SR COORDINATOR | | 1 | | |
| DISTRIBUTION SPLICER | | 1 | | |
| SPLICER | | 5 | | |
| OUTPLANT MECH A | | 1 | | |
| MECH A | | | | |
| COML TECH REP | | | 1 | |
| SR DIST CTL REP | | | 1 | |
| SR OFF ASST A | | | 1 | |
| DESIGNER | 10 | 6 | 6 | 7 |
| JUNIOR DESIGNER | 39 | 37 | 28 | 8 |
| SENIOR DESIGNER | 17 | 23 | 19 | 5 |
| SR ENG DESIGN A | | 1 | | |
| SR ENG TECH | 1 | | 1 | |
| SR ENG TECH A | 2 | | | |
| UNION | 70 | 95 | 63 | 21 |
| TOTAL | 97 | 121 | 79 | 28 |

| REGIONAL ENGINEERING SECTIONS | | | | |
|-------------------------------|------------|---------------------|-----------------------|------------------|
| TITLE | Manhattan | Brooklyn/ Queens | Bronx/Wes tchester | Staten Island |
| CUST PROJ MGR-A | 3 | | | |
| DEPT MANAGER | 2 | 1 | | 1 |
| ENGINEER | 6 | 2 | 1 | |
| SR ENGINEER | | 1 | 1 | |
| MANAGER | 4 | 5 | 1 | |
| OPER GENL SUPV | | 1 | | |
| OPERATING SUPV | | 3 | | |
| SPECIALIST | 1 | | 2 | |
| SR SPECIALIST | 1 | 1 | 1 | 2 |
| SR ANALYST | 1 | | | |
| ENGRG SUPERVISOR | 12 | 21 | 14 | 5 |
| SECTION MGR | 1 | | | |
| MM | 31 | 35 | 20 | 8 |
| ENGRG AIDE TEMP | 1 | 8 | 3 | 2 |
| ANALYST AIDE TEMP | | 4 | | |
| ADMINISTR ASST | | 3 | | |
| OFFICE ASST | | 2 | | |
| ADMINISTR CLERK | | 1 | 3 | |
| SR COORDINATOR | | 1 | | |
| DISTRIBUTION SPLICER | | 1 | | |
| SPLICER | | 5 | | |
| OUTPLANT MECH A | | 1 | | |
| MECH A | | | 1 | |
| COML TECH REP | | | 1 | |
| SR DIST CTL REP | | | 1 | |
| SR OFF ASST A | | | 1 | |
| DESIGNER | 9 | 10 | 5 | 3 |
| JUNIOR DESIGNER | 48 | 35 | 30 | 9 |
| SENIOR DESIGNER | 18 | 22 | 16 | 4 |
| SR ENG DESIGN A | | 1 | | |
| SR ENG TECH | 1 | | 2 | |
| SR ENG TECH A | 2 | | | |
| UNION | 79 | 94 | 63 | 18 |
| TOTAL | 110 | 129 | 83 | 26 |

| REGIONAL ENGINEERING SECTIONS | | | | |
|--------------------------------------|------------------|-----------------------------|-------------------------------|--------------------------|
| TITLE | Manhattan | Brooklyn/ Queens | Bronx/Wes tchester | Staten Island |
| CUST PROJ MGR-A | 4 | 0 | 0 | 0 |
| DEPT MANAGER | 2 | 1 | 0 | 1 |
| ENGINEER | 6 | 2 | 1 | 0 |
| SR ENGINEER | 0 | 1 | 1 | 0 |
| MANAGER | 4 | 3 | 1 | 0 |
| OPER GENL SUPV | 0 | 1 | 0 | 0 |
| OPERATING SUPV | 0 | 3 | 0 | 0 |
| SPECIALIST | 1 | 0 | 2 | 0 |
| SR SPECIALIST | 1 | 1 | 1 | 2 |
| SR ANALYST | 1 | 0 | 0 | 0 |
| ENGRG SUPERVISOR | 12 | 20 | 2 | 5 |
| SECTION MGR | 1 | 0 | 0 | 0 |
| MM | 32 | 32 | 20 | 8 |
| ENGRG AIDE TEMP | 1 | 7 | 2 | 1 |
| ANALYST AIDE TEMP | 0 | 4 | 0 | 0 |
| ADMINISTR ASST | 0 | 4 | 1 | 0 |
| ADMINISTR CLERK | 0 | 1 | 2 | 0 |
| SR COORDINATOR | 0 | 1 | 0 | 0 |
| DISTRIBUTION SPLICER | 0 | 1 | 0 | 0 |
| SPLICER | 0 | 5 | 0 | 0 |
| OUTPLANT MECH A | 0 | 1 | 0 | 0 |
| MECH A | 0 | 0 | 1 | 0 |
| COML TECH REP | 0 | 0 | 1 | 0 |
| SR DIST CTL REP | 0 | 0 | 1 | 0 |
| SR OFF ASST A | 0 | 0 | 1 | 0 |
| DESIGNER | 11 | 12 | 5 | 7 |
| JUNIOR DESIGNER | 47 | 37 | 30 | 9 |
| SENIOR DESIGNER | 18 | 19 | 16 | 3 |
| SR ENG TECH | 1 | 0 | 2 | 0 |
| SR ENG TECH A | 2 | 0 | 0 | 0 |
| UNION | 80 | 92 | 62 | 20 |
| TOTAL | 112 | 124 | 82 | 28 |

CPB 85

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB11

Date of Response: 08/08/2008

Responding Witness: IIP

Question No. :85

Subject: Infrastructure Investment Panel/Exhibit__ (IIP-11): (a) Provide a breakdown of how the total added cost of \$100,000 for the added position was determined. (b) Explain why the increase in costs for one position is not offset by the significant reduction in overtime that is expected.

Response:

- (a) First, we note that this was approved in the last electric case and the position has been filled. The position is for additional work due to A) new NYISO requirements based on Attachment N (Congestion settlements related to the day-ahead market and TCC auction settlements). The new requirements include monthly verification of equipment outages, including detailed record keeping of outages requested by other transmission owners and also include providing detailed back-up information to the NYISO for issues involving settling disputes among transmission owners; B) evolving NYISO requirements for longer advance notifications to generators in the area regarding outages requested by these generators or otherwise impacting the generators' availability. This involves manual tracking of and following up on all such outages. C) the increased volume of planning and processing activities associated with projected interconnections to our system by external parties, the number of which has increased significantly.
- (b) Regarding the statement that the new person is expected to reduce overtime for this position, we note that the exhibit states that such expectation is "in the long run." That is, we are targeting a gradual reduction in the long run following the implementation of BOSS (Best Outage Scheduling System), not in the rate year.

CPB 86(a)

Company Name: Con Edison

Case Description:

Case: 08-E-0539

Response to CPB Interrogatories – Set CPB11

Date of Response: 08/11/2008

Responding Witness: IIP

Question No. :86a

Subject: Infrastructure Investment Panel/Exhibit__(IIP-14): (a) Provide the three years of cost and the respective footage trenched that was utilized to determine the average cost per foot for the Coating Refurbishment Program.

Response:

See the attached spreadsheet for a summary of the costs associated with the coating refurbishment program. The amount of coating refurbished is driven by the total dollars allocated to the program and not by a footage target, so if the unit cost is less than expected we would refurbish more coating, and if it is higher than expected, less coating would be refurbished. Coating refurbishment costs are contingent upon many variables which include the degree of corrosion uncovered, condition of original coating, quantity of pipes in trench to refurbish, environmental remediation and community impact.

CPB 86(a)
Attachment

| Year | O&M Program | | Coating Refurbishment as Part of Public Improvement Programs | | Totals | | |
|-----------------------|-------------|--------------|--|----------------|--------|----------------|--------------|
| | Feet | Dollars | Feet | Dollars | Feet | Dollars | Average Cost |
| 2005 | 526 | \$915,254.61 | 0 | \$0.00 | 526 | \$915,254.61 | \$1,740.03 |
| 2006 | 537 | \$999,186.63 | 507 | \$826,158.20 | 1044 | \$1,825,344.83 | \$1,748.41 |
| 2007 | 446 | \$473,414.60 | 494 | \$1,000,870.50 | 940 | \$1,474,285.10 | \$1,568.39 |
| 3 Year Average | | | | | 2510 | \$4,214,884.54 | \$1,679.24 |

Electric Rate Case
CPB Interrogatory - Set CPB11
Question 88(a)

Manhole Inspections

| Year | # of Inspections | Actual Dollars |
|------|------------------|----------------|
| 2003 | 429 | \$ 379,364.60 |
| 2004 | 447 | 437,394.54 |
| 2005 | 561 | 472,658.17 |
| 2006 | 459 | 370,390.03 |
| 2007 | 729 | 453,340.63 |