

STATE OF NEW YORK

Public Service Commission

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CON EDISON'S DEMAND RESPONSE PROGRAMS IMPROVED

— Commercial, Industrial Customers Enticed to Shed Electricity Load —

Albany, NY—01/20/11—The New York State Public Service Commission (Commission) today approved changes in Consolidated Edison Company of New York, Inc.'s (Con Edison) demand response programs to increase enrollment, improve response to events, leverage enrollment from New York Independent System Operator (NYISO) demand response program participants and make it easier for customers to participate in the programs.

“Developing a solid demand response program is critically important for Con Edison and the overall New York metropolitan area,” said Commission Chairman Garry Brown. “Not only will these programs help reduce energy demand during peak summer months, it will help offset the need to make costly infrastructure investments and it will help promote environmental justice by reducing air emissions in communities and neighborhoods where power plants are located.”

The Commission has long-focused its demand response efforts in the metropolitan New York area where demand response is expected to be the most cost-effective. The area, served by Con Edison, experiences the greatest rate of peak load growth and the highest wholesale energy and capacity costs. The area also relies on numerous peaking generation units, some of which are relatively inefficient and produce high emissions.

Demand response measures are used to reduce peak loads. Reducing peak loads offers numerous potential benefits, including: deferring the need for new generating capacity; deferring the need for new delivery infrastructure; reducing the need to operate older peaking generation facilities, thus improving overall generator efficiency and reducing emissions; and reducing energy and

capacity costs for consumers. These revisions are intended to ease participation, streamline implementation, and better align Con Edison's demand response programs.

The changes in the demand response programs approved today target large commercial or industrial customers that can curtail load or have access to generation to reduce demand by a minimum of 50 kilowatts (kW) on an individual customer basis, or 100 kW through aggregation. Other smaller participants who reduce their usage by at least 1 kW receive a monthly payment per kilowatt hour (kWh) for reductions made during events.

The program also targets demand response from residential customers by allowing Con Edison to control the customer's electric appliances equipped with curtailable technology.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.state.ny.us and entering Case Numbers 10-E-0530, 09-E-0115, and 08-E-1463 in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).