

June 30, 2023

To Whom it May Concern:

In order to help comply with the 2022 Thermal Energy Network Jobs Act, in September of 2022, the Public Service Commission (PSC) ordered the State’s seven largest utilities to propose at least one utility-owned thermal energy network (UTEN) pilot project. “The Supplemental Information for Consolidated Edison Company of New York, Inc.’s Utility Thermal Energy Network Pilot Project Proposals” filing with the PSC is Con Edison’s most recent effort to fulfill their commitment to move UTEN pilots forward. The document proposes three pilots that are ready to move forward, and two that need additional study, but that are likely to also be viable. The Real Estate Board of New York (REBNY) and the New York Energy Consumer Council (NYECC) is writing in support of these proposals.

The role of these pilots, broadly speaking, is to learn more about the development of UTENs and to evaluate their potential to meet a number of State climate goals. These goals include reducing emissions, minimizing the amount of work electrifying buildings, environmental equity, and a just and fair transition away from fossil fuels, which includes workforce development in new technologies.

The projects proposed by Con Edison address all of these goals, and they do so while including a large and diverse building stock. Collectively the pilots will engage 85 buildings covering 4.3 million square feet of floorspace and about 570 housing units. Two of the three projects are in disadvantaged communities, while the third takes on the challenge of servicing three large Manhattan commercial buildings. Of the two potential other pilots, one is in a disadvantaged community.

These proposed projects also include unique rate structures to assure customers, especially those in disadvantaged communities, pay lower rates than they do now. The pilots include upgrading buildings through adding insulation and plugging leaks so that they require less heating and cooling. Finally, the proposals include job training, with a focus on the local workforce.

The Chelsea Pilot Project, submitted by the Zero Carbon Mile Consortium consisting of Reshape Strategies and Related Companies, will capture heat from a data center and use it to provide heat, cooling, and hot water to four nearby NYCHA multifamily buildings. The Mount Vernon Pilot was developed by Con Edison and their consultants. It would service 76 buildings in a disadvantaged community via a geothermal system which will provide heating, with cooling and hot water available for buildings with certain configurations. The Rockefeller Center Project was proposed by Tishman-Speyer, AKF Engineering, and Ecosystem. It will use clean recycled waste heat from multiple building systems to meet year-round heating needs for two buildings and multiple heating loads in a third, with cooling as an option.

The goals of this State-wide pilot program are critical to meeting the emissions reduction mandates at the State and local level in an efficient way. The specific pilots Con Edison has selected meet those goals in creative and sophisticated ways. Therefore, REBNY and NYECC would encourage that they move forward expeditiously.

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