New York Energy Consumers Council, Board Members’ Meeting, Wednesday, November 9, 2022

Presenter: George Diamantopoulos, Esq., Counsel to the NYECC

**Energy News**

* 10/26/22 - The U.S. Energy Information Administration in its Monthly Energy Review, provides data on energy production, consumption, prices, and trade. The agency’s latest short-term outlook has the share of electricity generated from renewable sources expected to grow from 20% in 2021 to 24% in 2023. Energy-related carbon dioxide emissions are expected to increase 1.5% in 2022 followed by a decrease of 2.3% in 2023.
* 10/28/22 – [10-T-0139](https://qixu-zgph.maillist-manage.com/click.zc?m=1&mrd=11310bf195cf2751&od=3z2ae6f65f00e0e6d6e98eeebf0cb0b382ce7de0ab0b28e0916bedca5dd662c52d&linkDgs=11310bf195cea02e&repDgs=11310bf195cfee88) - The PSC received comments regarding the establishment of a trust to address adverse aquatic impacts and protect water bodies from the construction and operation of facilities related to the Champlain Hudson Power Express, the 1,250MW transmission line that will supply hydropower from Canada to New York City. This is one of two contracts for transmission projects by NYSERDA representing the largest renewable energy and transmission projects contracted for NY in the last 50 years. The other contract is with Clean Path NY to deliver solar and wind energy from upstate New York through a 1,300-megawatt power line.
* 10/31/22 – 19-E-0065 and 19-G-0066 – Con Edison’s AMI (Advanced Metering Infrastructure) Metrics Report
  + AMI communications system deployment activities began in January 2017. As of September 30, 2022, Con Edison has installed approximately 20,750 communication devices and optimized the communication network across all of Staten Island and Westchester, a sizeable portion of Brooklyn, and parts of Manhattan, the Bronx, and Queens.
  + Functionalities enabled since implementation began, include billing functionality, near-real time AMI data on My Account (i.e., online customer portal), and upgrades of AMI systems to enable deployment of methane sensors. In addition, the Company rolled out the complete set of Innovative Pricing Pilot (IPP) rates. Complex billing meter installations commenced on August 17, 2020 and are more than 98% complete, with the remaining installations predominately pending because of Clear Access issues (environmental and physical safety-related constraints), the inability to gain access to perform meter upgrades, and/or building upgrades.
  + As of the end of September 2022, Con Edison has installed approximately 4.66 million meters across the Company’s service territory.
    - Staten Island Meter Deployment - The Company began mass deployment of electric meters in Staten Island on July 5, 2017. Mass deployment by the AMI meter installation vendor (“MIV”) was completed by the end of October 2018.
    - Westchester Meter Deployment - The Company began mass deployment of electric meters and gas modules and replacement of tin case and remediated gas meters with AMI-equipped meters in Westchester County on October 2, 2017. Mass deployment by the AMI MIV was completed by the end of February 2020. Company meter installation forces have installed roughly 97% of the gas modules on the approximately 3,400 gas meters in the northern Westchester area where Con Edison provides gas service and NYSEG provides electric service. The remaining installations are pending predominately due to not being able to gain access to install the gas modules.
    - Brooklyn Meter Deployment - The Company began mass deployment of electric meters in Brooklyn on April 2, 2018. Through the end of September 2022, the Company has installed approximately 1,023,000 AMI meters, more than the original estimate of 988,000 AMI meters.
    - Manhattan Meter Deployment - The Company began mass deployment of electric meters and gas modules and replacement of tin case and remediated gas meters with AMI-equipped meters in Manhattan on July 2, 2018. Through the end of September 2022, approximately 1,052,000 of the original estimate of 1,144,000 meters have been installed.
    - Bronx Meter Deployment The Company began mass deployment of electric meters, gas modules, and replacement of tin case and remediated gas meters with AMI-equipped meters in the Bronx on January 2, 2019. Through the end of September 2022, nearly 775,000 of the original estimate of 787,000 meters have been installed.
    - Queens Meter Deployment The Company began mass deployment of electric meters and gas modules and replacement of tin case and remediated gas meters with AMI-equipped meters in Queens on July 2, 2019. Through the end of September 2022, more than 1,007,000 of the original estimate of 1,009,000 meters have been installed.
    - The AMI Project has onboarded another MIV to install meters across Westchester, Brooklyn, Manhattan, the Bronx, and Queens. In May 2021, this vendor began installing meters in Westchester that could not be installed by Con Ed’s initial AMI MIVs despite their making in most cases as many as five attempts.
* 11/6-11/18/22 – COP27 – The 27th Conference of the Parties to the United Nations Framework Convention on Climate Change is meeting in Egypt utilizing thematic days such as Decarbonization Day on November 11, 2022. For example, Oil & Gas, Steel and Cement are three of the most carbon-intensive industries, their direct emissions representing more than 1/4 of global CO2 emissions. The November 11 session will introduce the scope & objectives of Decarbonization Day: sharing progress and inspiring further action to decarbonize hard-to-abate sectors, and identifying new technologies with a focus on Oil & Gas, Steel and Cement.

**Con Edison Rate Cases**

* 4/8/22 – 22-E-0064 and 22-G-0065 - In **Con Edison’s Updated filed testimony**,
  + the Company’s proposed electric revenue requirement has decreased by approximately $161.1 million, and the Company is now seeking an overall **electric revenue requirement increase of $1.037788 billion**.
  + The Company’s proposed gas revenue requirement has decreased by approximately $100.5 million, and the Company is now seeking an overall **gas revenue requirement increase of $402.2 million**.
* An additional **$744.126M is sought for electric in RY2** and an additional **$614.899M is sought for electric in RY3**. The aggregate electric rate case increase over three years (2023-2025, inclusive) is **$ 5.217 Billion**.
* An additional **$205.124M is sought for gas in RY2** and an additional **$176.079M is sought for gas in RY3**. The aggregate gas rate case increase over three years (2023-2025, inclusive) is **$1.8 Billion**.

Schedule:

* November 7, 2022– Scheduled settlement meeting for Con Edison’s counteroffer postponed because Con Ed requested more time to make its settlement counteroffer.
* Staff’s next counteroffer is expected to be scheduled after that.
* Effective date for new rates has been suspended numerous times to reach settlement. Most recently, on Nov. 1, 20222, Con Edison agreed to further extend the suspension date by an additional 30 days until May 25, 2023. The Company would be “made whole” by recovering or refunding any revenue under-collections or over-collections, resulting from the extended suspension period.
* 11/7/22 – NYECC’s leadership meeting with **Con Edison for Steam Rate Case overview**
  + Filing sometime at the end of November 2022 rather than in early 2023 as was expected previously
  + Separate Petition filing in NENY proceeding for steam specific energy efficiency projects and program
  + No revenue requirement numbers provided
  + Discussion regarding Property Tax suggested Con Ed may seek retroactive compensation. Retroactive rate making is prohibited.
  + Steam AMI
  + Steam RDM
  + Decarbonizing steam system
    - Short term approach (within a several years rate plan) rather than a long-term approach (covering multiple rate plans), which is what is needed.
    - Piecemeal emphasis to improve upon percentage numbers of oil (40%) and gas (28%) buildings in moving to steam rather than coming up with a permanent decarbonization solution with higher percentages improvement
  + Core investments are in steam production, distribution and Information Technology
  + Steam Production
    - Continued fuel oil conversion from #4 to #2 oil
    - Demonstration Projects
      * Electric Boilers
      * Use of Low Carbon Fuels such as RNG and hydrogen
      * Use of Large-Scale Industrial Heat Pump
      * Carbon Capture
      * Deep Geothermal
* Steam Distribution – using waste heat from condensate to provide hot water to nearby buildings using fuel oil or natural gas that are hard to electrify