Managing System Growth

Northeast Gas Association

April 25, 2019
Our Service Territories

Con Edison of New York (Con Edison)
Orange and Rockland (O&R)

- 3.6 million electric customers
- 1.2 million gas customers
- 1,600 steam customers
**Significant Recent Growth in Gas Demand**

- Supply and demand increasingly out of balance
  - ~50% peak growth in last 10 years
  - Last new supply added in 2013
  - Use of delivered services rising
- We’re pursuing all options, but
  - Permitting environment for gas pipelines is difficult
  - Stakeholders adamant about reducing gas use in long term

![Graph showing Con Edison Peak Day Natural Gas Demand](image-url)

- 2000-2011 Annual Growth Rate: 1.8%
- 2012-2019 Annual Growth Rate: 4.6%
Smart Solutions for Natural Gas Customers

**Goals:**
- Reduce peak day needs
- Reduce delivered services
- Continue environmental progress

Non-Pipeline Solutions RFP

Gas Innovation Program

Enhanced Energy Efficiency

Gas Demand Response

Parallel Planning for Pipeline
Non-Pipeline Solutions RFP Results

- All Proposals
  - Propane-Air: 455.1
  - LNG Liquefaction: 332.0
  - CNG/LNG Trucking: 220.0
  - RNG: 70.0
  - Electrification: 30.0
  - Energy Efficiency: 20.0
  - Demand Response: 10.0

- Credible Solutions
  - Propane-Air: 197.0
  - LNG Liquefaction: 140.0
  - CNG/LNG Trucking: 90.0
  - RNG: 30.0
  - Electrification: 20.0
  - Energy Efficiency: 10.0
  - Demand Response: 5.0

- NPS Portfolio
  - Propane-Air: 84.5
  - LNG Liquefaction: 60.0
  - CNG/LNG Trucking: 40.0
  - RNG: 20.0
  - Electrification: 10.0
  - Energy Efficiency: 5.0
  - Demand Response: 2.5
Non-Pipeline Solutions “No Regrets” Portfolio

Potential Relief (84.5 MDt/day)
- Energy Efficiency: 40.0%
- Electrification: 25.0%
- Renewable Natural Gas: 12.4%
- CNG/LNG Trucking: 7.1%
- Other: 7.1%

Requested Funding ($305 million)
- Energy Efficiency: $147.8 million
- Electrification: $74.8 million
- Renewable Natural Gas: $68.8 million
- CNG/LNG Trucking: $13.8 million
- Other: $68.8 million

Legend:
- Energy Efficiency
- Electrification
- Renewable Natural Gas
- CNG/LNG Trucking
- Other
Westchester County Moratorium

• Westchester County moratorium began March 15, 2019
  - No new or incremental firm service
  - Meters must be set by March 2021
• Con Edison working to fulfill pre-March 15 applications
  - Large number of new requests
  - Queue has been formed
• New service still available for:
  - Emergency generators (home use)
  - Interruptible gas service
Next Steps

• Moving ahead with Non-Pipeline Solutions
  – Demand-side programs are being implemented, reconciled with NYS policies
  – Working out commercial terms and sites for CNG/LNG

• Considering additional RFPs and initiatives

• Pipeline options are still in works

• NYS DEC decision on NESE will affect situation in New York City
Questions?

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