

RANDOLPH S. PRICE - UPDATE
ELECTRIC

1 Q. Please state your name.

2 A. My name is Randolph S. Price.

3 Q. Have you previously submitted testimony in this
4 proceeding?

5 A. Yes, I have.

6 Q. What is the purpose of your update testimony?

7 A. I update Exhibit __ (RSP-3) and Exhibit __ (RSP-4) to
8 my initial testimony to reflect revisions in the
9 Company's projected site investigation and remediation
10 related expenditures ("SIR costs") for its manufactured
11 gas plant ("MGP"), Superfund, Appendix B, Astoria and
12 underground storage tank ("UST") programs
13 (collectively, "SIR program"). I also update the
14 status of Brownfield Cleanup Program tax credits
15 associated with the West 42nd Street Gas Works Site.
16 Further, I update my testimony with regard to the
17 estimated proceeds from the sale of the Company's SO2
18 allowances and the normalization associated with the
19 Climate Registry program.

20

21

SIR PROGRAM

22 Q. Please summarize your update testimony regarding the
23 Company's SIR program.

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1 A. The total SIR costs for the Company's MGP, Superfund,
2 Appendix B, Astoria, and UST programs are projected to
3 increase by \$5.0 million, from \$46.0 million to \$51.0
4 million for the first rate year ("RY1"). For each of
5 the remaining two rate years ("RY2" and "RY3"), the
6 Company's SIR costs are currently projected to remain
7 the same as initially forecast at \$43.1 million for
8 each year. In addition, the updated total projected
9 SIR costs during the 15-month period immediately prior
10 to the first rate year (January 1, 2009 through March
11 31, 2010 - the "linking period") are currently
12 estimated to be \$73.6 million, or \$21.5 million lower
13 than the \$95.1 million cited on page 41 of my initial
14 testimony. Unless specified otherwise, all of the
15 estimated costs for the SIR Program are rounded to the
16 nearest \$0.1 million.

17 Q. Please explain generally the reasons for these changes.

18 A. As I explained in my initial testimony, the Company's
19 projected SIR costs are based on forecasted activities
20 and spending levels for its MGP, Superfund, Appendix B,
21 Astoria, and UST programs. These projections are re-
22 evaluated and updated on a quarterly basis, so that
23 they reflect current information as to the expected

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1 timing, scope, and costs of the required investigation
2 and remediation activities of these programs. My
3 update testimony is based on the June 30, 2009 re-
4 evaluation/update. Consistent with this information, I
5 have updated Exhibit ___ (RSP-3) to show the summary of
6 the projected SIR costs for RY1, RY2, and RY3.

7 MARK FOR IDENTIFICATION AS EXHIBIT ___ (RSP-3 - UPDATED)

8 Q. Have you also updated Exhibit ___ (RSP-4) to reflect the
9 most recent cost projections?

10 A. Yes, Exhibit ___ (RSP-4) has been updated to show the
11 actual and quarterly projected SIR costs for each site
12 for the linking period and the quarterly projected SIR
13 costs for each site for the first rate year.

14 MARK FOR IDENTIFICATION AS EXHIBIT ___ (RSP-4 - UPDATED)

15 Q. Please explain the primary reasons for the \$5.0 million
16 increase in projected SIR costs for RY1.

17 A. The MGP Program accounts for \$4.6 million of the \$5.0
18 million increase in the Company's forecasted SIR
19 expenditures for RY1. Based on the Company's most
20 recent update of its SIR cost projections, the
21 following MGP sites have the most significant changes
22 to the SIR cost projections provided in my initial
23 testimony: Mount Vernon Gas Works Site (+\$15.0

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1 million), West 45th Street Gas Works Site (-\$7.2
2 million), West 18th Street Gas Works Site (-\$4.7
3 million), Purdy Street Holder Station Site (-\$2.5
4 million), East 14th Street Gas Works Site (+\$0.8
5 million), Woodworth Avenue Gas Works Site (+\$0.7
6 million), and East 99th Street Gas Works Site (+\$0.6
7 million). These seven sites account for a net increase
8 of \$2.7 million of the \$4.6 million projected SIR cost
9 increase for the Company's MGP Program for RY1. In
10 addition, relatively small changes in projected SIR
11 costs for several other MGP sites to account for
12 changes in the anticipated schedule and/or scope of the
13 necessary investigation or remediation work for those
14 sites were made. The net impact of these smaller
15 changes is an increase of \$1.9 million for RY1. The
16 initial and updated SIR cost projections for each of
17 the Company's MGP program sites are provided in Exhibit
18 __ (RSP-4 - Updated).

19 Q. Please discuss the reason for the \$15.0 million
20 increase in projected SIR costs for the Mount Vernon
21 Gas Works Site.

22 A. The commencement of remediation for this site is now
23 scheduled for February 2010 instead of early third

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1 quarter of 2009. As a result of this change, a much
2 greater share of the site's projected remediation costs
3 will be incurred during RY1 instead of during the
4 linking period. In addition, the cost of implementing
5 the remedy is expected to increase from \$18 million to
6 approximately \$28 million based on the Company's most
7 recent estimate. The primary reasons for the \$10
8 million increase are: (1) a \$5.5 million increase (from
9 \$12.5 million to \$18 million) due to the updated cost
10 estimate of remedial construction provided by the
11 Company's consultant; and (2) a \$2 million increase
12 (from \$4.8 million to \$6.8 million) on the cost of
13 obtaining an agreement from the owner of an apartment
14 complex with several buildings immediately adjacent to
15 areas with significant MGP contamination to grant the
16 required environmental easement to the New York State
17 Department of Environmental Conservation ("DEC") and
18 the cost of temporarily relocating the tenants of those
19 apartment buildings while the Company implements the
20 remedial construction activities. The remaining
21 increase of approximately \$2.5 million includes higher
22 costs of remedial design, remedial construction
23 oversight by the Company's consultant, and demolition

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1 of four private homes prior to remediation. Most of the
2 \$28 million is anticipated to be incurred during the
3 linking period and RY1, with a relatively small amount
4 to be incurred during RY2.

5 Q. Please discuss the reason for the \$7.2 million decrease
6 in projected SIR costs for the West 45th Street Gas
7 Works Site.

8 A. In 2005, the Company was informed by the Intrepid
9 Foundation that New York State, which owns the Intrepid
10 Museum parking lot property that is part of the grounds
11 of this former MGP site, was considering allowing the
12 Intrepid Foundation to redevelop that property.
13 Although the Company received some preliminary
14 information on the Intrepid Foundation's redevelopment
15 plan for the parking lot property, no detailed design
16 or firm schedule has been provided by the Foundation to
17 date. Because combining the remediation of the MGP
18 contamination present beneath the parking lot property
19 with its redevelopment would likely result in cost
20 savings to Con Edison and its customers, the Company
21 does not plan to proceed with the remediation of the
22 parking lot property (which has been paved to minimize
23 exposure to the property's subsurface MGP

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1 contamination) until the property is ready for
2 redevelopment. At the time my initial testimony was
3 prepared, remediation of the parking lot property had
4 been projected to commence during RY1 and be completed
5 during RY2. Unless the DEC directs the Company to
6 proceed with the necessary MGP remediation work for the
7 parking lot property, regardless of the timing of its
8 redevelopment, this property is not expected to be
9 remediated during RY1, and the cost associated with its
10 remediation has been removed from RY1. Depending on
11 the Intrepid Foundation's plan to redevelop this
12 property or any DEC directives to move forward with the
13 necessary remediation work, some or all of the cost of
14 remediation could be incurred during RY2 and/or RY3.

15 Q. Please discuss the reason for the projected \$4.7
16 million decrease in SIR costs for the West 18th Street
17 Gas Works Site.

18 A. In May 2008, the DEC approved the proposed remediation
19 program submitted by the Company for the 76 Eleventh
20 Avenue parcel of this site. The property owner was
21 expected to implement the remedy as part of site
22 redevelopment, with the eastern portion of this parcel
23 expected to be the Highline Plaza planned by the City

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1 of New York and the western portion of the parcel
2 likely to be developed by the owner for commercial
3 and/or residential use. At the time my initial
4 testimony was prepared, remediation of the eastern
5 portion of this parcel was projected to begin during
6 the linking period and remediation of the western
7 portion was assumed to commence during RY1 and be
8 completed in RY2. However, the owner is not ready to
9 proceed with its planned redevelopment project at this
10 time. Unless directed by the DEC to remediate this
11 property independent of its redevelopment, the Company
12 does not plan to proceed with full implementation of
13 the DEC-approved remediation program for this property
14 until the owner is ready for redevelopment in order to
15 achieve cost savings by combining remediation with
16 construction. For purposes of cost projection, the
17 Company now assumes that remediation will begin towards
18 the end of RY1. The change in the anticipated start of
19 remediation accounts for the \$4.7 million decrease in
20 projected SIR cost for this site during RY1.

21 Q. Please discuss the reason for the projected \$2.5
22 million decrease in SIR costs for the Purdy Street
23 Holder Station Site.

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1 A. Con Edison has completed the DEC-approved investigation
2 program for this site, which consists of a portion of
3 the grounds of Saint Raymond's High School for Boys, a
4 high school that is owned by the Roman Catholic Church
5 of Saint Raymond and operated under the auspices of the
6 Archdiocese of New York (collectively, the
7 "Archdiocese"). In October 2007, Con Edison met with
8 DEC and the Archdiocese to discuss the Archdiocese's
9 plan to construct a new school building within the area
10 of the school grounds where the investigation results
11 indicate subsurface MGP contamination is present. In
12 April 2008, the Company submitted a draft report to the
13 DEC that evaluates several remedial alternatives based
14 on the Archdiocese's preliminary design plans for the
15 new school building. However, to date, the Archdiocese
16 has not followed up with the Company regarding its plan
17 or schedule regarding the construction of the new
18 school building. At the time my initial testimony was
19 prepared, the Company had projected that remediation of
20 this site would begin during RY1 assuming the
21 Archdiocese would proceed with the construction of the
22 new school building. It now appears that the
23 remediation of this site is unlikely to begin during

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1 RY1 and accordingly, the Company has decreased its
2 projected SIR expenditures for RY1 to account for this
3 change in the schedule for the Purdy Street site's
4 remediation. Depending on the timing of the
5 Archdiocese's plan and DEC's approval of the Company's
6 proposed remediation program for this site, some or all
7 of the remediation cost could be incurred during RY2
8 and/or RY3.

9 Q. Please discuss the reason for the projected \$0.8
10 million increase in SIR costs for the East 14th Street
11 Gas Works Site.

12 A. The Company has completed an investigation of the ball
13 fields area of this site. Based on the results of the
14 investigation, the DEC is requiring the implementation
15 of a Site Management Plan that includes the maintenance
16 of an acceptable cover for the ball fields as well as
17 compliance with institutional controls to address the
18 minor MGP impacts found during the investigation. When
19 my initial testimony was prepared, the Company expected
20 to implement the remedy for this site during the
21 linking period. The current schedule is to perform
22 this work during RY1, and the \$0.8 million increase for
23 RY1 reflects the postponement of the anticipated cost

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- 1 by one year.
- 2 Q. Please discuss the reason for the projected \$0.7
- 3 million increase in SIR costs for the Woodworth Avenue
- 4 Gas Works Site.
- 5 A. At the time my initial testimony was prepared, the
- 6 Company expected to conduct an investigation of this
- 7 site during the linking period at an estimated cost of
- 8 \$0.7 million. The schedule has since been revised
- 9 because of site access and consultant selection delays.
- 10 The investigation is currently anticipated to be
- 11 conducted during RY1 with its \$0.7 million estimated
- 12 cost to be incurred during this period.
- 13 Q. Please explain the reason for the projected \$0.6
- 14 million increase in SIR costs for the East 99th Street
- 15 Gas Works Site.
- 16 A. The investigation of this site conducted by the Company
- 17 has found MGP impacts on the grounds of the former MGP
- 18 as well as in areas outside of the boundaries of the
- 19 former MGP, including under a section of Second Avenue
- 20 between East 98th Street and East 99th Street. The
- 21 Metropolitan Transportation Authority ("MTA") is
- 22 planning to construct a new subway line along Second
- 23 Avenue. The Company is working with the MTA to develop

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1 an agreement covering incremental costs that may be
2 incurred by the MTA in connection with the Second
3 Avenue Subway project arising out of the presence of
4 MGP-contaminated soils encountered between East 98th
5 Street and East 99th Street. The preliminary estimate
6 of the incremental costs is approximately \$0.8 million.
7 Based on the schedule provided by the MTA at the time
8 the Company prepared its initial testimony, it was
9 projected that the MTA's subsurface construction
10 activities in the MGP-impacted segment of Second Avenue
11 would begin during the linking period, in early 2010.
12 But due to delays in MTA's award of its construction
13 contract, construction in the MGP-impacted area is now
14 expected to begin during RY1. The projected increase
15 of \$0.6 million reflects the change in MTA's
16 construction schedule and minor changes to the
17 estimated cost of remedial planning for the Site.

18 Q. Were there any changes in RY1 projected SIR
19 expenditures for Con Edison's other remediation
20 programs?

21 A. Yes, but these changes were relatively small compared
22 to the changes for the MGP Program. As shown in
23 Exhibit ____ (RSP-3-Updated), the projected expenditures

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1 for RY1 increased by approximately \$0.1 million for the
2 Company's Superfund program, \$0.2 million for its
3 Appendix B program, and less than \$0.1 million for its
4 UST Program, but did not change for its Astoria site
5 program, for an overall increase of approximately \$0.4
6 million for these four programs.

7 Q. What were the primary reasons for the adjustments in
8 projected expenditures for these programs?

9 A. Most of the changes are based on updates on the scope,
10 prior period accounting changes and timing of the
11 required investigation or remediation activities for
12 the sites covered by these programs.

13 Q. Please explain the reasons for the approximate \$21.5
14 million decrease in the Company's projected SIR costs
15 during the linking period.

16 A. Based on the Company's most recent update, projected
17 costs for the linking period are expected to decrease
18 by approximately \$21.5 million for the MGP program,
19 \$0.2 million for the Appendix B program, and \$0.5
20 million for the Superfund program. The projected SIR
21 costs during the linking period, however, have
22 increased by approximately \$0.7 million for the UST
23 program. The projected costs for the Astoria Site

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1 remain essentially unchanged. In sum, as noted
2 earlier, I am projecting a \$21.5 million decrease in
3 SIR related costs during the linking period compared to
4 the amount that was originally forecast.

5 Q. Please discuss the projected \$21.5 million decrease for
6 the MGP program.

7 A. The following nine sites account for a combined net
8 decrease of \$21.3 million in projected linking period
9 SIR costs for the Company's MGP program: Mount Vernon
10 Gas Works Site (-\$10.5 million), Hunts Point Gas Works
11 Site (-\$1.6 million), Pelham Gas Works Site (-\$6.4
12 million), White Plains Gas Works Site (+\$1.5 million),
13 West 42nd Street Gas Works Site (-\$1.1 million), East
14 173rd Street Gas Works Site (-\$0.9 million), East 14th
15 Street Gas Works Site (-\$0.8 million), East 99th Street
16 Gas Works Site (-\$0.8 million) and Woodworth Avenue
17 Gas Works Site (-\$0.7 million). As a result of the
18 Company's most recent update of its projected SIR
19 costs, relatively small increases or decreases in
20 linking period SIR expenditures are projected for
21 several other MGP sites to reflect changes in the
22 anticipated schedule and work scope of the
23 investigation or remediation activities for these

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1 sites. The net impact of these other relatively small
2 changes is a decrease of \$0.2 million. The projected
3 decreases for the Mount Vernon, Hunts Point, East 14th
4 Street, East 99th Street, and Woodworth Avenue sites
5 are due to delays in the commencement of investigation
6 or remediation. I have already reviewed the changes in
7 the projected investigation or remediation schedules
8 for the Mount Vernon, East 14th Street, East 99th
9 Street, and Woodworth Avenue sites in my previous
10 discussion of the estimated RY1 SIR expenditures for
11 them.

12 Q. Please continue regarding the Hunts Point Gas Works
13 Site.

14 A. This site is currently occupied by the Hunts Point
15 Cooperative Market, which is owned by the City of New
16 York. The MGP investigation and remediation activities
17 at this site are being managed on the City's behalf by
18 the New York City Economic Development Corporation
19 ("EDC"), under its Voluntary Cleanup Agreements with
20 the DEC. Con Edison is reimbursing the EDC for a
21 portion of the investigation and remediation costs
22 pursuant to two separate cooperation agreements between
23 the Company and EDC. The cost projections for the

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1 linking period and RY1 provided in my initial testimony
2 represented estimated payments to the City based on
3 EDC's preliminary schedule and cost estimates. It now
4 appears that EDC's implementation of investigation and
5 remediation activities, which are tied to the
6 redevelopment of the various parcels at the site, has
7 been and may continue to occur at a slower pace than
8 anticipated. Therefore, the Company has revised its
9 cost projection for the linking period to show a \$1.6
10 million reduction.

11 Q. Please discuss the reason for the projected \$6.4
12 million decrease for the Pelham Gas Works Site.

13 A. The Company began implementing the extensive DEC-
14 approved Remedial Action Work Plan for this site in
15 January 2008. From January 2009 through the end of
16 June 2009, the Company incurred a total cost of \$25.6
17 million for this site compared to \$43.2 million
18 projected in my initial testimony for the entire
19 linking period. The remedial construction activities
20 have been substantially completed except for relatively
21 minor site restoration work and punch list items, all
22 of which should be completed during the linking period.
23 At this time, the Company believes that the total

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- 1 expenditure during the linking period will be
2 approximately \$6.4 million less than the \$43.2 million
3 initially projected. However, the final total is
4 subject to resolution of change orders submitted by the
5 contractor.
- 6 Q. Please discuss the reason for the projected \$1.5
7 million increase for the White Plains Gas Works Site.
- 8 A. The increase in projected cost for the White Plains Gas
9 Works Site is due to the difficult subsurface
10 conditions encountered by the remediation contractor
11 during the on-going remedial construction activities,
12 which are expected to be completed during the linking
13 period. The final cost of this project may be higher
14 or lower than the current estimate depending on the
15 resolution of change orders submitted by the
16 contractor.
- 17 Q. Please discuss the reason for the projected decreases
18 of \$1.1 million and \$0.9 million for the West 42nd
19 Street Gas Works Site and East 173rd Street Gas Works
20 Site, respectively.
- 21 A. The decreases for these two sites are due to accounting
22 adjustments made by the Company in the first half of
23 2009 to correct accruals made in 2008. For the West

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1 42nd Street Gas Works Site, a correction of -\$1.4
2 million was made. This resulted in a projected
3 expenditure of -\$1.0 million for the linking period, or
4 a \$1.1 million decrease from the projected expenditure
5 of \$0.1 million contained in my initial testimony. For
6 the East 173rd Street Gas Works Site, two accounting
7 adjustments were made with a net total of -\$0.7
8 million. This resulted in a projected expenditure for
9 the linking period of -\$0.8 million, or a \$0.9 million
10 decrease from the projected expenditure of \$0.1 million
11 contained in my initial testimony. The Company has
12 completed remediation at both sites with no significant
13 SIR activities expected during the linking period and
14 beyond.

15 Q. Is the above update consistent with the Company's
16 response to Staff IR DPS-45 Revised and Staff
17 Accounting Panel testimony?

18 A. Yes.

19 Q. What other information regarding the Company's SIR
20 Program are you providing in this update testimony?

21 A. I am providing a further update on the West 42nd Street
22 Gas Works Site.

23 Q. Please continue.

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1 A. In July 2009, the Company received a check in the
2 amount of \$3,324,405 from the owner of River Place II
3 pursuant to the Company's cost sharing agreement with
4 that owner. This is applied as a reduction to the
5 regulatory assets instead of to individual sites and
6 has been addressed by both the Company and Staff
7 Accounting Panels.

8

9

PROCEEDS FROM SALE OF SO2 ALLOWANCES

10 Q. Please summarize the Company's strategy for selling
11 excess SO2 allowances, as described in your initial
12 testimony.

13 A. My initial testimony indicated that the Company
14 expected to sell approximately 22,000 SO2 allowances
15 allocable to the Company's electric system with regard
16 to each of the 2008, 2009 and 2010 vintage years. I
17 explained that Vintage Year 2008 allowances would be
18 sold during 2010, Vintage Year 2009 allowances would be
19 sold during 2011 and Vintage Year 2010 allowances would
20 be sold in 2012. I estimated proceeds of \$1.4 million
21 for each of the 2008 and 2009 vintage year based upon
22 an estimated market price of \$62 per SO2 allowance. The
23 vintage year 2010 allowances, anticipated to be sold in

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- 1 2012, are expected to be approximately half the value
2 as in the current market due to EPA's Clean Air
3 Interstate Rule ("CAIR") SO2 regulations coming into
4 effect in 2010. I, therefore, estimated proceeds of
5 \$700,000 from Vintage Year 2010 allowances to be sold
6 in 2012. I further indicated that Con Edison planned to
7 sell SO2 allowances each quarter and that the proceeds
8 would be available after each quarter.
- 9 Q. Did the Company complete SO2 allowance sales during the
10 first, second and third quarters of 2009?
- 11 A. Yes, Con Edison sold 5,525 allowances in Q1 2009 at an
12 average price of \$187 per allowance, 5,525 allowances
13 in Q2 at price of \$57.50 per allowance and 5,525
14 allowances in Q3 2009 at a price of \$72 per allowance.
15 These sales resulted in SO2 allowance revenues of
16 approximately \$1.7 million.
- 17 Q. Has the Company updated revenue expectations based on
18 the most recent sales?
- 19 A. Yes. Exhibit __ (RSP-12) has been updated to reflect
20 allowances for vintages years 2008 and 2009 being sold
21 at \$72 per allowance and allowances for vintage year
22 2010 being sold at \$36 per allowance.
- 23 Q. What will be the consequence if the market price at the

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1 time of sale is higher or lower than the allowance
2 price you have used to forecast expected revenue?

3 A. As explained in my initial testimony, the revenue from
4 the sales of SO2 allowances has been subject to
5 reconciliation, which the Company recommends to be
6 continued, so the customers receive the full, actual
7 benefit of any revenue generated from the sale of SO2
8 allowances.

9 Q. Has an exhibit been prepared under your supervision and
10 direction forecasting SO2 allowance sales and proceeds
11 for the linking period and the rate year based on the
12 updated expected allowance price?

13 A. Yes. An Exhibit __ (RSP-12) entitled "FORECAST OF SO2
14 ALLOWANCE SALES PROCEEDS" has been updated.

15 MARK FOR IDENTIFICATION AS EXHIBIT __ (RSP - 12 UPDATED)

16
17 **CLIMATE REGISTRY NORMALIZATION**

18 Q. Was a normalization adjustment of \$55,000 included in
19 your initial testimony?

20 A. Yes. It had been expected that the costs for
21 participation in The Climate Registry ("Registry")
22 would be \$77,000 per year for Consolidated Edison, Inc.
23 ("CEI") and that the Company's share of the costs would

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- 1 be expected to be \$75,000 per year. As \$20,000 had been
2 identified as having been spent in the historic year, I
3 proposed a normalization adjustment of \$55, in my
4 initial testimony.
- 5 Q. Have the expected costs of the Registry changed?
- 6 A. Yes. The Company has now secured a vendor to conduct
7 the external verification required as part of Registry
8 participation and the costs associated with this part
9 of the program are less than anticipated.
- 10 Q. What are the expected costs of participation in the
11 Registry?
- 12 A. It is now anticipated that CEI's cost of participation
13 in the Registry will be \$49,000 per year, comprised of
14 \$10,000 annual membership fee, \$19,000 annual emissions
15 software license fee and \$20,000 for external
16 verification. The Company's share of the costs would be
17 approximately \$48,500 per year.
- 18 Q. Was the historic year expenditure \$20,000 as stated in
19 your initial testimony?
- 20 A. No. It has been determined that the historic spending
21 level was \$48,500.
- 22 Q. Is the normalization adjustment still required as a
23 result of this new information?

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- 1 A. No.
- 2 Q. Does this conclude your update and rebuttal testimony?
- 3 A. Yes, it does.

Consolidated Edison Company of New York, Inc.
 Site Investigation and Remediation Expenditures (\$ x 1000)
 Rate Years Beginning April 1 of 2010 (RY1), 2011 (RY2), & 2012 (RY3)

	<u>RY1</u>	<u>RY1 (Update)</u>	<u>RY2</u>	<u>RY2 (Update)</u>	<u>RY3</u>	<u>RY3 (Update)</u>	<u>Total</u>	<u>Total (Update)</u>
MGP	\$ 31,418	\$ 36,027	\$ 36,300	\$ 36,300	\$ 36,300	\$ 36,300	\$ 104,018	\$ 108,627
Superfund	808	943	2,100	2,100	2,100	2,100	5,008	5,143
Appendix B	3,115	3,309	2,100	2,100	2,100	2,100	7,315	7,509
Astoria	5,785	5,785	2,000	2,000	2,000	2,000	9,785	9,785
UST	4,891	4,935	600	600	600	600	6,091	6,135
Total	46,017	50,999	43,100	43,100	43,100	43,100	132,217	137,199

2009 Electric Rate Case Cost Projections for Linking Period (1/09-3/10) and Rate Year 1
(Based on Actual Expenditures for 1Q09 and 2Q09 and 6/09 Cost Projections)

Exhibit __ (RSP-4 Updated)

1 2	A Site #	B Investigation/Remediation	C Linking Period (in \$000) - Updated					G Total Linking Period	H Linking Period Actual/Projected Activities	I Linking Period (in \$000) Initial	J RY 1 (in \$000) - Updated					O RY1 Projected Activities	P RY1 (in \$000) Initial
			C Actual		C Projected						J Projected						
			1Q&2Q09	3Q09	4Q09	1Q10	2Q10				3Q10	4Q10	1Q11	Total RY1			
Appendix B Sites																	
4	2	East River Area	111	100	150	140	501	Additional investigation, manhole cleanouts, product recovery, groundwater monitoring	435	80	60	30	20	180	Additional investigation, reporting, groundwater monitoring, manhole cleanouts		
5	4a	12th St & 41st Ave	7	5	5	5	22	Groundwater monitoring & reporting	25	5	5	5	5	20	Groundwater monitoring & reporting	40	
6	7a	FRD/E71st St. (Pipeline 2)	0	0	0	115	115	Initiate investigation	200	85	20	5	0	110	Complete investigation & reporting	20	
7	9	Astoria Blvd/78th Street	0	30	0	0	30	Prepare investigation work plan	30	80	80	35	36	230	Perform investigation and reporting	25	
8	12	Farragut	90	75	30	5	200	Additional investigation, soil remediation, groundwater monitoring, reporting	425	5	5	5	5	20	Groundwater monitoring & reporting	230	
9	14	Hudson Ave.	383	200	100	150	833	Installation of pumping system at tank farm, NAPL recovery, groundwater monitoring, reporting.	800	150	50	50	200	450	O&M for tank farm pumping system, NAPL recovery, GW monitoring, reporting.	20	
10	19	W. 49th St. Substation Area (11th Ave.)	30	5	75	65	175	Product recovery system O&M, prepare investigation work plan, begin investigation.	185	20	5	5	5	35	Investigation report, product recovery system O&M.	450	
11	20	Helgate Area(Locust Ave)	3	2	2	2	9	Groundwater monitoring & reporting	10	2	2	5	0	9	Groundwater monitoring, reporting & closeout	35	
12	23	E. 26th St./FDR Drive	0	30	0	0	30	Prepare investigation work plan	30	80	80	35	35	230	Perform investigation and reporting	10	
13	25	PL 7 / Kent Ave. Manholes	0	5	5	5	15	Inspections, reporting	20	5	0	0	0	5	Closeout	230	
14	28	W. 54th St./11th Ave.	0	30	0	0	30	Prepare investigation work plan	30	0	80	80	35	195	Perform investigation and reporting	0	
15	56	Broadway/131st St - 141st St	-4	50	5	0	51	Supplemental investigation, minor remediation, reporting, closeout	45	0	0	0	0	0		195	
16	57	4th Ave. & Garfield St./6th St.	0	30	0	0	30	Prepare investigation work plan	30	0	80	80	35	195	Perform investigation and reporting	0	
17	59	Jay St. and Concord St.	0	15	15	0	30	Prepare investigation work plan	30	0	80	80	35	195	Perform investigation and reporting	195	
18	60	11th Street Conduit	0	75	75	25	175	Perform investigation and reporting	175	10	5	0	0	15	Complete report, closeout	230	
19	63	Wythe Ave./North 13th St.	0	75	75	25	175	Perform investigation and reporting	175	10	5	0	0	15	Complete report, closeout	15	
20	67	Morris Pk Av./E180th St-Bronx	0	50	150	10	210	Soil remediation and reporting	220	5	5	0	0	10	Final report & closeout	15	
21	69	Broadway/108th St - 125th St	0	30	5	5	40	Supplemental investigation, minor remediation, reporting, closeout	55	0	0	0	0	0		10	
22	72	E. Broadway East of Grand St.	0	30	0	0	30	Prepare investigation work plan	30	0	80	80	35	195	Perform investigation and reporting	0	
23	73	West 57th St. West of Broadway	0	0	30	0	30	Prepare investigation work plan	30	0	0	80	80	160	Perform investigation	195	
24	79	Vernon Blvd/Queens Combined Site (includes Sites 1, 4, 26, 40, & 79)	174	75	50	50	349	Supplemental investigation, reporting	350	100	100	50	50	300	Supplemental investigation, reporting	160	
25	83	Dunwoodie S/S	4	5	5	5	19	Groundwater monitoring & reporting	25	5	5	5	5	20	Groundwater monitoring, reporting	210	
26	84	Emsford S/S	19	5	5	5	34	Product recovery, groundwater monitoring & reporting	25	5	5	5	5	20	Product recovery, groundwater monitoring, reporting	20	
27		App B Medium Priority Sites	0	0	0	60	60	Prepare investigation work plans	60	0	0	0	160	160	Start investigations	20	
28		App B Low Priority Sites	0	0	0	20	20	Prepare investigation work plan	20	20	20	250	250	540	Work plan preparation, investigation, reporting	160	
29		Subtotal - Appendix B	817	922	782	692	3213		3480	667	762	885	995	3309		630	
Superfund Sites																	
31		Echo Ave.	9	25	0	0	34	Prepare site management plan, final report	45	0	0	0	0	0			
32		Arthur Kill QU2	-330	110	5	5	-210	Wetland restoration, reporting, O&M	335	5	5	5	5	20	Inspect restored areas, reporting	0	
33		N. 1st St. Term./Fyn Paint Litigation (Technical Support)		20	20	20	60	Technical litigation support against Fyn Paint ("total linking period" costs only include 3Q09-1Q10)	100	20	20	20	20	80	Technical litigation support against Fyn Paint	20	
34		N. 1st St. Terminal/Fyn Paint	130	100	100	100	300	Con Edison share of investigation & remediation costs ("total linking period" costs only include 3Q09-1Q10)	320	100	100	100	100	400	Con Edison share of investigation & remediation costs	80	
35		Curcio SF Site	12	10	30	20	72	Groundwater monitoring & reporting	90	10	10	30	20	70	Groundwater monitoring & reporting	400	
36		Maspeth	116	55	20	20	211	Final engineering reports, sidewalk investigation, groundwater monitoring & reporting	83	20	20	20	0	60	Groundwater monitoring & reporting	70	
37		Flushing Creek	177	50	50	200	477	Finalize investigation work plan, start investigation, reporting	650	100	50	50	50	250	Complete investigation & feasibility study, reporting	22	
38		Borne Chemical	20	4	4	4	32	PRP Group remediation expenses	30	4	7	7	7	25	PRP Group remediation expenses	200	
39		Metal Bank	1	0	12	12	25	PRP Group remediation expenses	0	12	12	12	0	36	PRP Group remediation expenses	16	
40		PCB Treatment, Inc.	0	0	-677	0	-677	Refund of costs paid to PRP Group	-677	0	0	0	0	0		0	
41		Cortese Landfill	45	0	19	15	79	PRP Group remediation expenses	0	0	0	0	0	0		0	
42		Maxey Flats	0	0	0	0	0	PRP Group remediation expenses	2	0	0	0	2	2	PRP Group remediation expenses	0	
43		Subtotal Superfund	180	374	-428	396	524		978	271	224	244	204	943		808	
44		Astoria Site														808	

2009 Electric Rate Case Cost Projections for Linking Period (1/09-3/10) and Rate Year 1
(Based on Actual Expenditures for 1Q09 and 2Q09 and 6/09 Cost Projections)

Exhibit (RSP-4 Updated)

2	A	B	C		D		E		F	G	H	I	J					K	L	M	N	O	P
			Actual	Projected	Actual	Projected	Actual	Projected					Actual	Projected	Actual	Projected	Actual						
3	Site #	Investigation/Remediation	1Q&2Q09	3Q09	4Q09	1Q10	Total Linking Period	Linking Period Actual/Projected Activities	Linking Period (In \$000)	Initial	2Q10	3Q10	4Q10	1Q11	Total RY1	RY1 Projected Activities	RY1 (In \$000)						
46		Astoria (Corrective Action)		100	260	350	700	Additional investigation, risk assessment, corrective measures study, interim remedial measures (hot spot removal) planning, reporting	1300		200	500	500	500	1700	Remedial planning, hot spot remediation	1700						
47		Astoria (IRM)		15	15	15	45	Product recovery, groundwater monitoring & reporting	75	15	15	15	15	60	Product recovery, groundwater monitoring, reporting	60							
48		Astoria NSY Remediation		100	250	200	550	Remedial planning	650	1000	2000	1000	25	4025	Remediation (removal of soil with PCBs, lead & other contaminants), site restoration, reporting	4025							
49		Subtotal Astoria Site	749	215	515	665	2044		2025	1215	2515	1615	540	6785		4025							
50		MGP Sites							2025	1215	2515	1615	540	6785		4025							
51		Farrington Holder	23	50	50	7	130	Post-remediation long term monitoring and additional investigation due to planned new facility	207	7	7	7	7	28	Post-remediation long term monitoring	28							
52		White Plains MGP	7294	2900	2900	40	13134	Remediation and groundwater monitoring	11640	40	40	40	40	160	Groundwater monitoring	160							
53		Hunts Point Compressor Station	2	0	0	4	6	Post-remediation annual inspection and certification	8	0	0	0	4	4	Post-remediation annual inspection and certification	0							
54		Hunts Point EDC site	0	100	100	500	700	Investigation and remediation managed by NYCEDC	2300	500	500	500	500	2000	Investigation and remediation managed by NYCEDC	1900							
55		Tarrytown	0	0	0	0	0	Post-remediation long term monitoring by owner	0	0	200	0	0	200	Post-remediation long term monitoring by owner	0							
56		173rd Street MGP (Starlight Park)	-803	0	15	0	-788	Post-remediation long term monitoring and annual inspection/certification	125	15	0	15	0	30	Post-remediation long term monitoring and annual inspection/certification	100							
57		Purdy Street Station	0	0	25	100	125	Remedial planning/design	350	100	100	100	25	325	Remedial planning/design	2850							
58		W. 42nd Street Gas Works	-1085	50	50	0	-985	Off-site investigation; post-remediation long-term monitoring and annual inspection/certification	125	15	0	15	0	30	Post-remediation long-term monitoring and annual inspection/certification	100							
59		W. 45th Street Gas Works	0	50	75	50	175	Operable Unr 1 remedial planning	180	50	250	250	50	600	Remedial planning/design	100							
60		W. 18th Street	413	100	50	50	613	Coal tar recovery at HLP parcel; remedial planning for other parcels.	1000	100	250	100	4000	4450	Start remediation of HLP parcel and remedial planning for other parcels.	7825							
61		E. 99th Street Works	313	25	25	25	388	Investigation	1200	750	25	25	25	825	Reimbursement to MTA for soil disposal associated with Second Avenue Subway construction; remedial planning	9100							
62		E. 32nd Street Station	0	150	200	50	400	Investigation	400	0	0	0	0	0	Investigation	200							
63		Cedar St. Works	235	0	25	25	285	Investigation	300	25	150	150	50	375	Investigation	200							
64		Unionport Works	83	10	250	350	673	Investigation	500	150	25	25	25	225	Investigation	0							
65		Ossining Works - Ossining	1074	35	25	25	1159	Harbor Square settlement and coal tar recovery	1310	300	25	25	25	375	Investigation and remedial planning	0							
66		Pemat Ave Works -Peekskill	7	100	100	50	257	Investigation and remedial planning	280	25	25	25	20	95	Remedial planning	675							
67		Ludlow Street Works - Yonkers	4	0	250	125	379	Investigation	375	0	0	0	0	0	Investigation	0							
68		Cross/Little Water St. Holder Station	26	0	0	0	26	Well closure	25	0	0	0	0	0	No further action required	0							
69		E. 137th Street Station	1	25	150	50	226	Investigation	80	40	5	5	20	70	Investigation	0							
70		E. 138th Street Works	0	20	75	75	170	Investigation	205	100	50	50	20	220	Investigation	0							
71		E. 11 Street Works	429	50	50	50	579	Sediment investigation and remedial planning	550	0	800	400	0	1200	Remediation	0							
72		E. 14th Street Works - East River	37	0	50	0	87	Design of erosion control	850	0	0	0	800	800	Installation of erosion control	1200							
73		E. 14St., E. 17 St. & E. 19th St. (Stuy Town)	84	25	25	25	159	Remedial planning	100	0	200	200	0	400	Installation of sub-slab systems	0							
74		E. 21st Street (PCV)	582	150	50	300	1082	Remedial planning, indoor air testing, and coal tar recovery	900	25	25	25	2500	2575	Remedial planning and start of remediation	100							
75		Mt. Vernon Works	777	3500	1000	1000	6277	Remedial planning and remediation	16750	4000	4000	4000	4000	16000	Remediation	2575							
76		Central Ave - Peekskill	-3	100	50	5	152	Investigation	145	5	5	5	5	20	Remedial planning	1040							
77		Hester Street Gas Works	17	5	5	0	27	Investigation report and Site Management Plan preparation	75	0	0	25	0	25	Annual inspection and certification	20							
78		Canal Street Gas Works	4	0	0	0	4	Records review report preparation	25	0	0	0	0	0	No further action required	0							
79		E. 115th Street Gas Works	140	100	100	300	640	Remedial planning and indoor air testing	310	300	300	300	50	950	Remedial planning, indoor air testing, and remediation	700							
80		E. 108th Street Station	72	25	25	15	137	Investigation and remedial planning	315	15	15	15	0	45	Remedial planning	45							
81		E. 111th Street Gas Works	18	25	25	15	63	Investigation report preparation and remedial planning	115	15	15	15	0	45	Remedial planning	45							
82		York Ave Station	0	0	200	0	200	Investigation	200	0	200	0	0	200	Investigation	45							

2009 Electric Rate Case Cost Projections for Linking Period (1/09-3/10) and Rate Year 1
(Based on Actual Expenditures for 1Q09 and 2Q09 and 6/09 Cost Projections)

Exhibit ___ (RSP-4 Updated)

2	A	B	C		D		E	F	G	H	I	J				M	N	O	P
			Actual	Projected	Projected	Projected						Projected	Projected	Projected	Projected				
3	Site #	Investigation/Remediation	1Q&2Q09	3Q09	4Q09	1Q10	Total Linking Period	Linking Period Actual/Projected Activities	Linking Period (in \$000) Initial	2Q10	3Q10	4Q10	1Q11	Total RY1	RY1 Projected Activities	RY1 (in \$000) Initial			
83		Zeraga Avenue Station	143	25	300	0	468	Investigation	300	0	0	0	0	0		0			
84		E. 175th Street Station	1	0	125	125	251	Investigation	400	125	25	0	0	150	Investigation	0			
85		Rye Gas Works - Rye	12	200	200	0	412	Investigation	400	0	0	0	0	0		0			
86		Farrington Street Gas Works	104	125	125	6	359	Investigation	350	5	5	200	200	410	Investigation	0			
87		Saw Mill River Station - Yonkers	9	100	125	125	359	Investigation	500	100	0	0	0	100	Investigation	0			
88		Greenburgh Station - Greenburgh	1	1	1	0	3	No further action required	120	0	0	0	0	0	No further action required	80			
89		Hastings on Hudson MGP	41	10	10	100	161	Investigation, indoor air testing, remedial planning	225	100	25	25	25	175	Remediation and indoor air testing	100			
90		Palham Gas Works - Palham Manor	25587	10000	700	500	36787	Remediation and post-remediation O&M; investigation of off-site areas	43200	500	500	500	500	2000	Post-remediation long term O&M; investigation of off-site areas	2000			
91		286 Water Street	0	0	10	100	110	Investigation	0	50	50	0	0	100	Investigation	2000			
92		Woodworth Ave. Works - Yonkers	21	0	0	0	21	Investigation	700	350	350	0	0	700	Investigation	100			
93		Port Chester	2	0	0	0	2		0	0	0	0	0	0		0			
94		Common Expenses	135	30	30	30	225	Program wide, non-site specific expenses	0	30	30	30	30	120	Program wide, non-site specific expenses	0			
95		Subtotal MGP Sites	35780	18086	7571	4221	65638		87120	7637	8197	7072	12921	38027		0			
96		Underground Storage Tank (UST) Sites														31418			
97		3rd Ave Yard SC Parking Lot		18	16	21	53	Limited remediation, GW Monitoring	136	21	11	9	9	50	GW monitoring, reporting	49			
98		3rd Ave Yard SC		68	14	10	92	Limited remediation, GW Monitoring	96	10	10	10	13	43	GW monitoring, reporting	40			
99		Former Amoco Fuel Oil Terminal		125	150	70	345	Waterfront investigation, reporting, remedial planning	550	90	1300	2750	250	4390	Waterfront remediation, GW monitoring, reporting	4350			
100		Atlantic Ave. SC		18	28	18	64	Supplemental investigation, reporting	162	18	18	18	18	72	GW monitoring, reporting	72			
101		Bruckner Blvd Operations Center		15	15	15	45	Final engineering report, GW monitoring & reporting	120	15	15	15	15	60	GW monitoring, reporting	60			
102		College Point SC		5	5	20	30	GW monitoring, reporting, well closure	40	0	0	0	0	0		60			
103		Rye SC		15	15	15	45	Investigation report, GW monitoring & reporting	95	15	40	145	40	240	Remedial planning, GW Monitoring	0			
104		Van Nest Complex SC		10	85	20	115	Remediation, GW monitoring & reporting	175	15	10	10	5	40	GW monitoring, reporting	240			
105		Victory Blvd SC		5	0	0	5	GW monitoring, closeout	15	0	0	0	0	0		40			
106		West 28th Street SC		20	30	10	60	Remediation, GW monitoring, reporting	105	10	10	10	10	40	GW monitoring, reporting	0			
107		Subtotal UST	1313	287	358	198	2167		1494	194	1414	2967	360	4935		40			
108		Total Remedial Managed Projects	38819	19884	8800	6073	73586		85077	10184	13112	12683	15020	60999		4891			
109																46017			
110		Notes																	
111		1. All cost projections were based on information available at the time they were developed and on anticipated actions of others such as approval by the DEC, access provided by property owners, and property owners' development plans.																	
112		2. The negative "actual" costs for the 173rd Street and W. 42nd Street MGP sites in the first half of 2009 were due to an accounting correction made for incorrect accruals in 2008.																	
113		3. The negative "actual" cost for the Arthur Kill OU2 Superfund Site in the first half of 2009 was due to an over-accrual in December 2008 for unpaid remediation contractor expenses as of December 31, 2008.																	

Consolidated Edison Company of New York, Inc.

Forecast of SO2 Allowance Sales Proceeds

	Actual Sales								Projected Sales			
	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	RY1	RY2	RY3
Allowance Volume	5,525	5,525	-	11,050	5,525	5,525	5,525	5,525	5,525	22,100	22,100	22,100
Allowance Price	\$ 510	\$ 360	\$ -	\$ 165	\$ 187	\$ 57.50	\$ 72	\$ 72	\$ 72	\$ 72	\$ 63	\$ 36
Revenue	\$ 2,817,750	\$ 1,989,000	\$ -	\$ 1,820,046	\$ 1,033,175	\$ 317,688	\$ 397,800	\$ 397,800	\$ 397,800	\$ 1,591,200	\$ 1,392,300	\$ 795,600

Notes:

Actual sales will depend upon market conditions.

Forecast allowance price of \$72 is based on the market price for SO2 allowances as at July 10, 2009. This is the date of the most recent sale.

No sales were executed in Q3 2008 due to market conditions.

Vintage Year 2010 allowances being sold as of January 2012 are expected to be approximately 1/2 as valuable as in the current market due to CAIR SO2 rules coming into effect in 2010. The CAIR SO2 rules will adjust the surrender ratio for allowances to 2 for 1 in 2010. This will result in Vintage Year 2010 SO2 allowances being only half as valuable as a 2009 or earlier vintage allowance.

RY2 average price of \$63 per allowance is based upon three quarters of 2011 (Q2, Q3 and Q4) at \$72 per allowance and one quarter of 2012 (Q1) at \$36 per allowance.