

THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER SCOTT M. STRINGER

May 6, 2019

Mr. John McAvoy Chairman, President, and Chief Executive Officer Consolidated Edison Company of New York 4 Irving Place New York, New York 10003

Re: Williams Pipeline

Dear Mr. McAvoy,

I am writing in response to Con Edison's recent letter regarding Williams' Northeast Supply Enhancement natural gas pipeline. While my opposition to the pipeline is grounded in my concern for the health and well-being of New York's most precious natural habitats, our climate and our communities, I recognize that Con Edison and National Grid may have business models that are in part dependent upon promoting fossil fuel consumption within New York City. That said, given the absolute urgency of confronting climate change, I am optimistic that we can work together to prioritize our assuredly shared interest in achieving a more sustainable energy future for New York City.

Your letter cautioned – although threatened might be the better word – that if the Williams Pipeline is not approved, Con Edison may have "to move quickly to declare a moratorium on new gas connections in our New York City service area." Certainly a moratorium on gas consumption is a very serious, last resort outcome that all parties will want to avoid. However, your letter provides slim evidence at best to support why a moratorium on natural gas connections would be necessary if the Williams Pipeline were to be rejected on environmental grounds. It is incumbent on Con Edison to transparently explain why the city's gas demand could not be met by embracing non-pipeline alternatives like promoting energy efficiency and transitioning to renewable energy and electrification. Simply stating that a moratorium is necessary does not suffice.

If the pipeline is deemed to pose a significant threat to New York's environment by the State's Department of Environmental Conservation and is rightly not approved, both Con Edison and National Grid must be prepared to offer alternative plans to meet the energy needs of their customers and the city. New Yorkers rightly expect that their publicly regulated utilities work diligently to offer affordable, reliable, and clean energy. Rather than so quickly assuming a moratorium is unavoidable without the construction of a pipeline, I expect Con Edison will already be working to proactively accelerating the truly inevitable transition to clean energy.

Indeed, Con Edison must adequately plan for the very real possibility that the Williams pipeline may not be approved, and also for significant changes in energy use necessitated by the City and State's climate goals. Fortunately, your threat of a moratorium coincides with Con Edison's open Natural Gas rate case at the State's Public Service Commission. The case should be an opportunity for honest discussion about how Con Edison can best deploy resources to stave off any possible moratorium and encourage cleaner energy solutions. Your letter proudly touts your efforts to "transition to a clean energy future," including Con Edison's "Smart Solutions" program to better manage peak demand and reduce constraints on gas supply. I fully support such efforts and hope Con Edison puts more resources behind such programs.

Redirecting incentives from gas installations to instead promoting electric heat pumps and other electric systems is critical. By channeling more resources into improving energy efficiency and promoting electrification of buildings, we can lower energy bills, reduce noxious pollution, and help New York City achieve its climate goals. On-site renewable energy for building energy needs - including solar energy and renewable heating - must also be greatly accelerated. Such efforts can help avoid a moratorium or interruptions in service, as well as preserving flexibility in energy choice. I believe that by working collaboratively with advocates, the public, and elected officials, we can work toward a future of reduced gas consumption and avert the need for onerously expensive and environmentally detrimental pipeline infrastructure.

As you must agree, achieving our emissions goals and protecting our climate requires a comprehensive reevaluation of New York's entire energy system. Nevertheless, the construction of a \$900 million natural gas pipeline is utterly incompatible with the goal of a "clean energy future" that you state we share in your letter. This is not a time to double down on yesterday's fossil fuel infrastructure, it is a time to build a cleaner, healthier tomorrow.

Scott M. Stringer

New York City Comptroller