

A Conversation with ConEd CEO Tim Cawley

Summary of Comments - April 2023

On April 26, 2023, OurEnergyPolicy hosted a wide-ranging one-on-one conversation with Tim Cawley examining New York's energy challenges and how ConEd is evolving to meet the needs of the modern age. Find the recording [here](#).



Susan Leeds

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Moderator



Timothy P. Cawley

Chairman, President, and CEO
ConEdison, Inc.

Summary of Key Points

- Reducing building emissions and decarbonizing generation resources and transportation are the three key sectors necessary to accelerate New York City's energy transition, and deep decarbonization measures are needed in each sector.
- Actors across NYC's energy sector - including ConEd, city and state agencies, and energy customers - have embraced and begun accelerating operations to achieve the state's ambitious clean energy goals.
- ConEd considers the clean energy transition to be as monumental for its business practice as any shift that has occurred since the company began 200 years ago.
- ConEd manages 40% of New York's electric demand despite only occupying 1% of the state's land. Where ConEd leads, so goes the state's electric grid.
- Investments in energy efficiency offer the greatest benefits, and efficiency measures are especially important to ensure a swift transition to a clean electric grid.
 - Deep efficiency improvements are key, as many of the easiest improvements have already been completed. Upfront incentives for consumer retrofits can reduce financial burdens and lead to long-term savings for both ConEd and its customers.
- Forward-looking policies, such as [banning natural gas in newly constructed buildings](#), are more effective than punitive measures to move the needle on clean energy.

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ConEd's Role in New York's Energy Transition

- ConEd views New York State's ambitious [Climate Leadership and Community Protection Act](#) (CLCPA) as an important and necessary step to drive a shift in market forces and build momentum around the clean energy transition.
 - The company's main role in realizing CLCPA targets is working with renewable energy developers to build out receiving infrastructure to ensure new renewable generation resources can be efficiently incorporated into the electric grid.
- Grid safety and reliability are ConEd's top priorities as they implement a cleaner electricity infrastructure. Reductions in reliability could pose a major setback for the energy transition.
 - ConEd's current system is significantly more reliable than the national average of one outage per customer year, with ConEd customers served by overhead systems experiencing outages once every two years and customers served by underground systems expecting outages only once every 50 years on average.
 - As more renewable resources come online, intermittency becomes a greater concern for maintaining reliability, and dispatchable energy resources will become more important to address shortcomings in generation capacity.
- ConEd is engaged in several ongoing projects contributing to New York's energy transition, including:
 - Building a new electrical hub in Brooklyn with room for 1,500 MW or more of offshore wind, contributing to the state goal of integrating 9,000 MW of offshore wind into the existing electric grid, making it possible to disperse renewable energy throughout NYC.
 - Offering incentives to consumers for heat pump adoption. The initial round of incentives ran out well before the end of the program, so ConEd worked with regulators to secure additional funding to continue it.
 - Animating the battery storage market by acting as a 7-10 year lessee for developers establishing battery storage facilities next to existing substations. These 4 hour deployment batteries can ease the load on generation resources in times of peak demand.
 - Implementing smart meters for all ConEd customers to centralize and streamline communications infrastructure and enable more efficient maintenance services.

Considerations for the Future

- Delaying the energy transition, or failing to act, will cost significantly more in climate damage than the costs of implementing a swift and ambitious clean energy transition now.
- Ambitious targets are necessary to change the trajectory of large businesses like ConEd: setting aggressive but achievable goals, which require transformative efforts and may not be achieved in the ambitious time frame, is better than exceeding soft goals with less industry momentum afterward.