

**STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
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August 11, 2006

Louis L. Rana, President
Consolidated Edison Company
of New York, Inc.
4 Irving Place
New York, NY 10003

Re: Case 06-E-0894 – Consolidated Edison Report on Safe
and Reliable Operation of the Electric Distribution System

Dear Mr. Rana:

I am writing in response to the Supplemental Report on the Safe and Reliable Operation of the Electric Distribution System for Summer 2006 that you submitted on August 4, 2006. Thank you for the prompt response to my letter of August 3, 2006. Kin Eng, of my Staff, will be the Department lead for monitoring the Company's recovery efforts outlined in your report. Kin will be looking at more specific details regarding those efforts. I understand that Kin has already met with Kathy Boden who is leading your response. I ask that you please give Kin full cooperation and whatever assistance is needed.

I would like a weekly status update on all aspects of the Company's activities and associated milestones for each area of the inspection and replacement program identified and listed on pages 21 through 27 in the Supplemental Report (i.e., Tables 7 through 13, although Tables 8, 10, and 13 appear to report on the same information). The status update should include the transformer bank replacement, secondary main inspections, open mains, secondary main reinforcement/replacement, and limiter inspections. You should also provide status updates in a similar format for shunt and generator removal. For each of the milestones identified in the table of schedules, include the total number to be inspected, replaced, or removed, and the number inspected, replaced, or removed on a weekly basis.

I also request that you provide a weekly status report for in-house and mutual aid crews in the same format as Tables 1 through 4 of the Supplemental Report.

Section 5 of the Supplemental Report titled, "Overall Work and Engineering Plans," identifies a number of activities that the Company will do or that already take place. There are, however, many instances where it is not clear just what the Company intends to do in the Long Island City network, and/or when it intends to do so. For example, item 5.b states the Company will recalculate the loss and load factor; it does not say when. Item 5.d discusses replacement of paper-insulated, lead-covered cable and thermally sensitive stop joints, but gives no indication as to what the extent or timetable is for the Long Island City network. Please re-visit each of the items in Section 5 and provide an explicit response as to your plans for the Long Island City network, including amounts of work to be performed and a timetable, as part of the first status report. Subsequently, this section should also be updated on a weekly basis as appropriate.

On page 19 of your Supplemental Report, you indicate that the Company is considering hi-pot tests for each of the 22 feeders in the Long Island City network. As with the material discussed in the previous paragraph, please provide a more explicit response as to your plans and provide an update on a weekly basis as appropriate.

The first weekly status report should be provided no later than August 18, and every Friday thereafter. Copies should be sent to myself, Kin Eng, and Michael Worden.

Sincerely,

James T. Gallagher
Director, Office of Electricity
and Environment

cc: Michael Worden
Kin Eng