

Con Edison Transmission, Inc.

PJM Pre-Qualification Application – Designated Entity Status

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1.0 Name and address of the entity and point of contact

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2.0 Technical and engineering qualifications of the entity or its affiliate, partner, or parent company

Con Edison Transmission (“CET”), a subsidiary of Consolidated Edison, Inc. (“CEI”), was formed in 2016 and invests in electric and gas transmission projects. CET’s electric investment portfolio includes the largest ownership interest in New York Transco LLC (“NY Transco”). CET’s gas investment portfolio also includes a minority investment in Mountain Valley Pipeline (“MVP”), a fifty percent interest in Stagecoach Gas Services’ (“SGS”) and a majority share of Honeoye Storage Corporation (“HSC”), which is indirectly wholly owned by CEI.

NY Transco is a partnership of the four New York state investor-owned utilities, and its mission is to plan, develop, and own new high-voltage electric transmission projects in New York State designed to reduce power flow congestion, facilitate the growth of renewable generation sources, and provide continued grid reliability. NY Transco currently has several projects that are in service since June 2016, with FERC-approved rates and an asset base of over \$200 million. NY Transco is also developing and constructing the New York Energy Solution (“YES”) and Rock Tavern to Sugarloaf (“RTS”) project which will bring clean renewable energy from upstate to downstate New York, relieve historic congestion on New York’s bulk electric power system, and maintain reliability.

CET’s gas portfolio includes three investments. MVP is a 303-mile pipeline currently under construction, with a targeted in-service date of summer 2022. The project is 92% complete at an estimated project cost of \$6.2 billion. SGS is a 50/50 joint venture with Crestwood Equity Partners whose assets were mostly divested in July 2021 and currently has one subsidiary that owns the Twin Tier Pipeline, a natural gas pipeline in New York State. Last, CET is a majority owner of HSC, a 6.7 billion cubic foot natural gas storage field located in Ontario County, New York that provides contracted storage services to major northeast utilities.

CET has been able to utilize the skills and experience of its staff gained [in part] from prior experience at Consolidated Edison Company of New York, Inc. (“CECONY”), Orange and Rockland Utilities, Inc. (“O&R”), and Con Edison Clean Energy Businesses, Inc. (“CEB”). In addition, resources of its affiliated companies are available, as appropriate, to facilitate project development. Together, CEI has over 100 years of experience developing, constructing, maintaining, and operating transmission facilities with a cumulative approximately 143,000 miles of electric transmission and distribution infrastructure and approximately 6,200 miles of gas mains.

3.0 Demonstrated experience of the entity or its affiliate, partner, or parent company to develop, construct, maintain, and operate transmission facilities. Including a list or other evidence of transmission facilities previously developed regarding construction, maintenance, or operation of transmission facilities both inside and outside of the PJM region

As described above in Section 2.0, CET is a subsidiary of CEI, which has subsidiaries with almost 100 years of experience siting, designing, constructing, operating, and maintaining transmission systems across numerous states and transmission systems managed by Independent System Operators and Regional Transmission Organizations (“ISO/RTOs”). CEI’s four subsidiaries, CET, CECONY, O&R, and CEB, have developed and/or constructed transmission projects in PJM, NYISO, MISO, ISO-NE, and others.

NY Transco’s existing projects include three that the New York State Public Service Commission (“NYSPSC”) approved in October 2013. Called the Transmission Owner Transmission Solutions (“TOTS”) Projects, these projects were selected via the NYSPSC’s Indian Point Contingency Plan proceeding and went into service June 2016. The TOTS Projects include two projects that CECONY developed and transferred to NY Transco.

NY Transco’s most recent development project, NYES, will upgrade approximately 55 miles of existing utility infrastructure, permanently eliminating approximately 230 existing transmission structures, and replacing other towers with new resilient and less intrusive monopole structures. NY Transco’s other active project, RTS, will replace aging infrastructure with modern structures along a 12-mile right-of-way, relieving grid congestion and bringing more renewable energy from upstate to downstate New York. NYES and RTS were awarded development in April 2019 by the NYISO under its FERC Order 1000 competitive solicitation process. Construction has begun for these projects and their anticipated in-service date is year-end 2023.

In addition, CET’s sister companies, CECONY and O&R, have over 100 years of experience developing, constructing, maintaining, and operating transmission facilities. The following is a list of recent projects completed by CECONY and O&R:

- 2020: Ramapo bank 1300 replacement – 525 MVA transformer
- 2020: Installation of UG Cable 69 kV Line 47
- 2019: Rainey to Corona 1 (36187) PAR controlled 138kV feeder
- 2019: Ramapo bank 2300 replacement - 525 MVA transformer
- 2018: Installation of UG Cable 138 kV Line 704
- 2017: Sugarloaf 345 kV Station
- 2016: Staten Island Un-bottling (ownership transferred to NY Transco)
- 2016: 2nd Ramapo-Rock Tavern 345 kV line (ownership transferred to NY Transco)
- 2011: Establish M29 and Academy substation with 345 kV connection from Sprain Brook and 138 kV connections to Sherman Creek

4.0 Previous record of the entity or its affiliate, partner, or parent company to adhere to standardized construction, maintenance, and operating practices

CET is managed by experienced utility professionals who adhere to standardized utility best practices for construction, maintenance, and operating practices. For new transmission projects, CET works closely with engineering, procurement, and construction firms (“EPCs”) to provide services such as project management, project controls, engineering, construction management, procurement, permitting, and stakeholder relations. The EPCs CET works with are experienced firms with proven track records and experience working on large projects in the Northeast and throughout the country. All projects are designed in accordance with all applicable industry standards and in conformance with utility design practices and applicable law. CET also engages third-party consultants to assist with permitting and regulatory compliance, as appropriate. CET’s staff has significant experience managing projects that employ multiple vendors, contractors, and consultants.

CET will be responsible for the operations and maintenance (“O&M”) of any project facilities. CET will be responsible for developing the operating and maintenance plans and managing the resource providing the O&M services, which may be through direct CET employees, employees of its portfolio companies, or contracted services, as appropriate. CET, together with PJM, will be responsible for meeting North American Electric Reliability Corporation (“NERC”) requirements.

5.0 Capability of the entity or its affiliate, partner, or parent company to adhere to standardized construction, maintenance, and operating practices

CET and its affiliates have a long history of adhering to standardized construction, maintenance, and operating practices, as described in Section 4.0. The companies’ staff and hired consultants are well versed with standardized practices and incorporate these into development, design construction, maintenance, and operations activities. In addition to complying to industry standards, CET and its affiliates comply with ISO/RTO, NERC, FERC and NYPSC [affiliate] requirements and will continue to in the future for all development projects.

6.0 Financial statements of the entity or its affiliate, partner, or parent company. Please provide the most recent fiscal quarter, as well as the most recent three fiscal years, or the period of existence of the entity, if shorter, or such other evidence demonstrating an entity’s current and expected financial capability acceptable to the Office of the Interconnection

CET’s financial information is represented in their parent company’s, CEI, annual reports.

- 2021: [10-Q Report: filed August 5, 2021](#)
- 2020: [2020 Annual Report](#)
- 2019: [2019 Annual Report](#)
- 2018: [2018 Annual Report](#)

CET has no history of bankruptcy or dissolution in the last five years.

The credit rating of CEI is A-/Negative/A-2 (by S&P), Baa2 (by Moody's), and BBB+ (by Fitch Ratings).

7.0 Commitment by the entity to execute the Consolidated Transmission Owners Agreement, if the entity becomes a Designated Entity

Con Edison Transmission, Inc. commits to executing, or causing its subsidiary to execute, the Consolidated Transmission Owners Agreement if it becomes a Designated Entity in the PJM Region.

8.0 Evidence demonstrating the ability of the entity to address and timely remedy failure of facilities

CET, along with its affiliates, is capable of and prepared to address all future emergencies and failure of facilities. It believes an appropriate response to failures requires a variety of solutions depending on the circumstances of the situation at hand. CET manages restoration and response at the project level.

Some examples of implemented and in-place practices/procedures at CET's investments include, but are not limited to:

- Employees, contractors, and suppliers are responsive on a 24-7/365-day-a-year basis and are ready to address all system emergencies that occur
- On-call personnel procedures
- Emergency Response and Incident Management Plans
- Training on damage assessment
- Inventory of critical spare equipment
- Engagement with industry associations

Additionally, to proactively protect against failure of facilities, CET's affiliates perform routine inspection and maintenance of facilities on an ongoing basis. System damage can be caused by vehicles, storms, vandalism, or material failure. To increase resiliency of their assets and protect against these damages, CET's affiliates have invested in storm hardening upgrades, 24/7 security and surveillance, and advanced vegetation management programs.

For over 100 years, CET's affiliates have successfully responded to transmission system emergencies on numerous occasions ranging from miscellaneous hardware replacements to full structure replacements to multiple structure replacements. Timely remedy of facility failures is a critical activity, and CET's affiliates address these failures with three guiding principles in mind: safety, operational excellence, and the customer experience.

9.0 Description of the experience of the entity in acquiring rights-of-way

CET and its affiliates have substantial experience acquiring rights-of-way ("ROW"). As stated in Section 2.0, in the last ten decades, CET's affiliates have acquired, developed, operated, and

maintained approximately 143,000 miles of electric transmission and distribution ROW, as well as approximately 6,200 miles of gas ROW.

To minimize environmental and public impacts, CET pursues the use of existing ROWs whenever possible. For example, Section 3.0 notes that one of CET's investments, NY Transco, developed and currently operates over 35 miles of facilities in New York State using existing rights-of way. Additionally, NY Transco is developing the NYES project with a ROW spanning over 55 miles using existing electric transmission corridors or adjacent utility-owned land.

CET uses resources from both its affiliates and contracted EPCs' subject matter experts to develop projects. This includes the verification of new or existing ROW, research, negotiations, notifications, and acquisition of ROW.