Capital Versus O&M Decisions

Con Edison Company of New York
Capital Process

- Ruling
- Review Scope of work
- Governance
- Request Prioritization and Funding
- Appropriate
- Approve Project Creation
Capital Policy

- Company Guidance:
  - Electric Plant Manual
  - Gas Plant Manual
  - Steam Plant Manual
  - Corporate Instructions
  - Accounting Opinions and Procedures
  - FERC / Commission
  - PWC Plant Guide
  - Facilities and Station Equipment Guide

- Ruling Required
  - All Scopes of Work inside any company owned Property line (1,500+ / year)
  - New Technology (New Property Unit)
  - Betterments/Programs
  - Software
Retirement Units - Work Chargeable to Capital

- Installation of a new Company-owned pole, including the installation of crossarms, braces, racks, steps, and guys is chargeable to CAPITAL.
Capital Policy Decision Process
Continuously Improving

By Yearend 2018:

• Update all Accounting Guidance Manuals
• Compile and Publish a Unified Capital Policy Guide
• Design and Implement a Digital Capital Policy Guide
• Create Quality Assurance / Quality Control Role(s) within Plant Accounting
• Create Online Training for Fiduciary Responsibility and Ethical Decision Making
• Release Full Capital Policy Guide