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PSC NO: 10 – Electricity

Consolidated Edison Company of New York, Inc.

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Issued in compliance with Order in Cases 15-E-0751 and 15-E-0082 dated 09/14/2017

GENERAL RULES

25. Supply and Supply-related Charges and Adjustments - Continued

25.2 Adjustment Factors – MSC

The Adjustment Factors – MSC are applicable to all Full Service Customers subject to the MSC, except for Customers served under Rider M.

25.2.1 Adjustment Factor – MSC I

The components of the Adjustment Factor - MSC I are described below.

a. MSC Reconciliation

Estimated MSC amounts recovered in rates on a calendar month basis shall be reconciled to actual MSC costs on a calendar month basis. The actual MSC costs include the costs the Company would have incurred if the requirements to serve Customers under this Rate Schedule would have been purchased solely from the NYISO market calculated on a load-weighted average market price based on available NYISO billing data at the end of each month. These costs will be increased by the value of any capacity credits that the Company receives from pledging MW associated with the Direct Load Control Program into the NYISO Special Case Resources program, priced at the strip auction price for the capability period and determined separately for the New York City and the combined Westchester NYISO zones. These costs will also be increased by the total Value Stack Energy Component credits paid out to Customers served under the Value Stack Tariff as described in Rider R of this Rate Schedule. The Adjustment Factor – MSC I will include separate reconciliation amounts for New York City and for the combined Westchester NYISO zones.

b. Tax Reimbursement Recovery Provision

The Company is authorized by Section 66-h of the Public Service Law to recover tax reimbursements that it makes to non-utility generators pursuant to such law. The Adjustment Factor – MSC I will recover such tax reimbursements only from Customers with non-residential use of electricity, as explained hereunder.

c. Demand Response Program Cost Recovery Provision

The Company is authorized to recover the difference, if any, between (i) the amounts billed in such month to Customers served under Rider M for actual energy usage priced at the applicable hourly energy prices in accordance with the provisions of Rider M, and (ii) the actual market supply costs for such month for such Customers' actual energy usage. The Adjustment Factor – MSC I will also include a credit for any Rider W penalty amounts received by the Company in excess of those paid by the Company to the NYISO under the NYISO's Day Ahead Demand Response Program.

Issued by: Robert Hoglund, Senior Vice President & Chief Financial Officer, New York, NY