



Consolidated Edison Company
of New York, Inc.
4 Irving Place
New York NY 10003
www.conEd.com

February 28, 2014

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
3 Empire State Plaza, 19th Floor
Albany, New York 12223

RE: Case 13-E-0030, Con Edison's Electric Rate Case

Dear Secretary Burgess:

Enclosed for filing with the Public Service Commission (the "Commission") are revised schedule leaves issued by Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") to the Company's Schedule for Electricity Service, P.S.C. No. 10 - Electricity ("Electric Schedule"), applicable to its customers in the City of New York and the County of Westchester.

Also enclosed for filing are revised schedule leaves issued by the Company to its Schedule for New York Power Authority ("NYPA" or "PASNY") Delivery Service - PASNY No. 12 (also referred to as the "PASNY Rate Schedule"),¹ applicable to delivery by the Company of power and associated energy to Authority Public Customers under PASNY No. 12.²

The Company's schedule leaves are issued with an effective date of March 1, 2014. The specific leaves and statements being revised for the Electric Schedule are identified in Appendix A. The specific leaves and statements being revised for the PASNY Rate Schedule are identified in Appendix B.

Reason for Filing

The Commission's Order Approving Electric, Gas and Steam Rate Plans in Accord With Joint Proposal, issued and effective February 21, 2014, in Cases 13-E-0030 et al. (the "Order")

¹ This schedule is also titled, "Delivery Service Rate Schedule Implementing and Part of the Service Agreement Between the Power Authority of the State of New York (PASNY) and the Consolidated Edison Company of New York, Inc. (the Company) dated March 10, 1989."

² The Company's Schedule for Economic Development Delivery Service ("EDDS") – P.S.C. No. 11, applicable to delivery service to NYPA, the New York City Public Utility Service, and the County of Westchester Public Utility Service Agency, has been canceled, pursuant to the Commission's Order in this Case.

adopted the Joint Proposal (“JP”) set forth in Appendix A of the Order, with certain modifications.

The Order provides for a two-year rate plan in which Rate Years (“RY”) 1 and 2 are the twelve-month periods commencing January 1, 2014 and January 1, 2015, respectively. Under the rate plan, the electric delivery service revenue requirement is decreased by \$76.192 million in RY 1 and increased by \$123.968 million in RY 2. The revenue requirements are levelized during the two years of the rate plan to remain equal to the current level of electric delivery service³ revenues.⁴ Although RY 1 revenues will provide for no overall change in delivery revenues there will be a delivery revenue decrease of \$2.872 million (exclusive of gross receipts taxes) to customers served under the Electric Schedule and a \$2.872 million increase (exclusive of gross receipts taxes) to customers served under the PASNY Rate Schedule.

Revenue Allocation and Rate Design

Electric Schedule Revenue Changes

The revenue allocation is described in Appendix 20 of the JP. Within the Electric Schedule, there are changes in delivery revenues by Service Classification (“SC”), as shown in Table 2 of Appendix 20 of the JP.

The change in delivery rates under the Electric Schedule, exclusive of gross receipts taxes, is a decrease of \$2.872 million, for Rate Year 1. This consists of a decrease of \$36.706 million in T&D delivery rates, an increase of \$22.820 million in the revenue requirement for the Monthly Adjustment Clause (“MAC”), and an increase of \$11.014 million in purchased power working capital costs of the Merchant Function Charge (“MFC”). The net change in fixed generation costs recovered through the MAC was allocated to Con Edison full-service and retail access customers. The change to purchased power working capital is allocable only to Con Edison full-service customers.

For Con Edison classes, a portion of the Rate Year T&D-related delivery revenue change was assigned to competitive service revenues in setting the rates for (1) the supply-related component of the MFC, excluding changes to the purchased power working capital cost component; (2) the credit and collection-related component of the MFC; (3) competitive metering charges; and (4) the billing and payment processing (“BPP”) charge. The balance of

³ The annual levelized revenue changes associated with T&D delivery revenue, the retained generation component of the Monthly Adjustment Clause (“MAC”) and purchased power working capital are zero in each of RY1 and RY2.

⁴ At the end of RY 2, the resultant level of electric delivery service revenue requirement is \$47.776 million higher than current rates provide. Therefore, \$47.776 million of the levelized change in RY 2 will be effectuated via class-specific temporary credits that will expire at the end of RY 2. As a result of the levelizing, a \$30.1 million customer credit will remain at the end of the two-year rate plan which will be applied to reduce customer bills in the year after RY 2 if rates are not otherwise reset by the Commission for that year.

the T&D-related delivery revenue change applicable to each Con Edison class was then used in setting the non-competitive T&D rates for each class.

The percentage change in revenues and bill changes for the Con Edison SCs are shown in Appendix C. The percentage change in revenues for NYPA is shown in Appendix D.

Rate Design

Appendix 20 of the JP describes the rate design process. Major items described in Appendix 20 are identified below:

- The customer charges in SC 1 Rate I, SC 2 Rate I, and SC 6 were not changed. The SC 2 Rate II customer charge was set equal to the SC 2 Rate I customer charge before the addition of the incremental metering charge.
- Declining rate blocks in Rate I of SC 2 and SC 9 were eliminated, pursuant to Case 09-E-0428 and the Order, before adjusting delivery rates to reflect the rate changes allocated to each class for Rate Year 1.
- The SC 9 maximum rate under Rate I was increased and will be eliminated after Rate Year 2.
- New SC 1 Rate III, a voluntary time-of-day rate, was designed to recover the SC 1 overall non-competitive delivery revenue requirement on a revenue-neutral basis. The Rate III customer charge was set equal to the Rate I customer charge before the addition of the incremental metering charge. Rate III off-peak energy delivery rates were set equal to the Rate II off-peak energy delivery rates. The Rate III off-peak period is midnight to 8 a.m. Capacity costs will be collected during the “super peak” period: Monday through Friday, 2 p.m. to 6 p.m., June through September only.
- New station-use rates were established under SC 9, Rates IV and V, of the Electric Schedule and under Rates III and IV of the PASNY Rate Schedule. Station-use rates, applicable to standby customers that are wholesale generators taking service through the Company’s distribution system, were determined by removing the transmission component from the matrix in Appendix A of the Commission’s Order of July 29, 2003, in Case 02-E-0781.
- Competitive delivery rates for Con Edison customers (i.e., the MFC and competitive metering charges, including the credit and collection-related component of the Purchase of Receivables Discount Rate) were set to reflect the Rate Year revenue requirement. The BPP charge was increased from \$1.04 to \$1.20 per bill.
- The reactive power demand charge was set at \$1.41 under both the Electric Schedule and the PASNY Rate Schedule.
- No changes were made to the relative relationship between high-tension and low-tension rates in either the Electric Schedule or the PASNY Rate Schedule.

- PASNY Rates I and II were changed by the overall non-competitive T&D percentage change applicable to NYPA. Rates III and IV were developed to be revenue-neutral with Rates I and II, respectively.

Other Tariff Changes

Tariff changes were made in accordance with the Order. Changes to the Electric Schedule are detailed in Appendix E, and changes to the PASNY Rate Schedule are detailed in Appendix F of this filing letter. Major changes are described below:

- Low-income program: (a) SC 1 customers enrolled in the Rate I low-income program will receive a customer charge reduction of \$9.50 during the term of the rate plan; (b) the low-income reconnection program, under which the reconnection fee is waived, will continue during the term of the rate plan until costs reach \$1.0 million; and (c) the under- and over-recovery of costs associated with the customer charge discounts, reconnection fee waivers, and a portion of Agencies' administration costs (totaling \$48 million annually) will be reconciled through the Revenue Decoupling Mechanism ("RDM") applicable to Con Edison customers and to NYPA.
- SC 1 Rate III (new time-of use rate): The minimum term of delivery service under Rate III is set at 18 months consistent with existing SC 1 Rate II. Retail access customers that elect Rate III and later switch to full-service must remain on Rate III as a full-service customer for one year from the date of the switch, and full-service customers that elect Rate III must remain on Rate III as a full-service customer for one year. New Special Provision E of SC 1 will provide a one-year price guarantee to customers registering a Plug-in Electric Vehicle ("PEV") with the Company under Rate III. The price comparison (inclusive of the Increase in Rates and Charges) will be made on a total bill basis for full-service customers and on a delivery-only basis for retail access customers. The MAC will recover the commodity-related component of customer credits provided under the price guarantee. The SC 1 RDM will recover the delivery-related component of customer credits provided under the price guarantee.
- Business Incentive Rates ("BIR" or Rider J): (a) Percentage rate reductions were established for customers commencing service on BIR on or after March 1, 2014; (b) "Sandy BIR" was established for eligible small businesses and non-profits in Hurricane Sandy-affected areas that are billed under SC 2 or SC 9; (c) the MW allocated under BIR for biomedical research was increased; (d) New York City and Westchester County will be permitted to use participation in the Recharge New York ("RNY") Program as a qualifying program under which they grant benefits under the BIR "comprehensive package of economic incentives," provided the BIR allocation does not extend beyond the period of the customer's participation in the RNY Program; and (e) the BIR application period will continue through December 31, 2015. The Company simplified and reorganized Rider J tariff language for improved clarity, and eliminated obsolete tariff provisions.

- Excelsior Jobs Program (“EJP”) - SC 9, Special Provision H: Percentage rate reductions were established, equal to those established under BIR, for customers commencing service on the program on or after March 1, 2014.
- SC 15 - Delivery Service to Governmental Agencies and Rider Q – Power for Jobs: SC 15 and Rider Q are no longer in use and were deleted from the Electric Schedule.
- Rule 5.3.5 (customer responsibility for incremental costs): This Rule was modified with respect to the customer cost contribution when total construction costs exceed \$2 million: the calculation of total construction costs will exclude the actual transformer cost; and the calculation of the customer payment will be the lesser of the Company's incremental cost or the total construction cost in excess of \$2 million.
- Rule 6.6 (requirements for coincident demand): Commencing with bills having a “from” date on or after March 1, 2014, the Company will bill an account with multiple meters on the basis of coincident demand if all meters on the account measure and record kVar as part of the reactive power program (a program applicable to customers with demand of 500 kW or greater). In the past, such accounts were billed for demand on an additive basis unless the customer furnished and installed impulse wiring.
- Rule 16.3 (charge for re-inspection): The charge was updated.
- Rule 17 (special services performed by the Company at a charge): Charges under Rule 17. 1 for high potential proof (“hi-pot”), Megger, and dielectric fluid tests were updated. Percentages applicable to General Rule 17.3 were also modified: the stores handling rate percentage was lowered to 7.5 percent, and the corporate overhead percentages that are applied to accommodation work performed for third parties were updated and unbundled for each overhead component (engineering, construction management, and administration and general support).
- Rule 20 (standby service): Provisions were added: (a) to indicate that customer-set contract demands in new or upgraded premises will be subject to the Company’s final approval, and exceedances of such contract demands will be exempt from penalty charges; (b) regarding station use by wholesale generators; and (c) to indicate that the Company’s Distributed Generation Guide for distributed generation rated over 2 MW and up to 20 MW is available on the Company’s website.
- Rule 21.1 (continuity of supply): Compensation payable for losses due to power failures was increased for residential customers for their actual losses of food spoiled due to lack of refrigeration, as follows: to up to \$220 with an itemized list and to up to \$500 upon submission of an itemized list and proof of loss. For commercial customers, actual losses of perishable merchandise spoiled due to lack of refrigeration was increased to up to \$9,900 upon submission of an itemized list and proof of loss.

- Uncollectible Bill (“UB”) Factor Associated with the Market Supply Charge (“MSC”) and MAC: UB associated with the MSC (collected through the MFC) and UB associated with the MAC are each reconciled to a system UB factor of 0.82 percent. (The residential MSC UB factor was set at 1.29 percent, and the non-residential UB factor was set at 0.50 percent.) UB expense shortfalls associated with the Case 13-E-0030 suspension period will be collected through the Adjustment Factor - MAC and the MFC.
- The Factor of Adjustment for Losses: The Factor specified in the MSC provision was set at 1.063, to reflect five-year average losses of 5.9 percent.
- PJM OATT Charges: PJM OATT rates and charges associated with the 1,000 MW firm transmission service will be allocated between the Electric Schedule and the PASNY Schedule. Collections will commence March 2014 and will be made over a ten-month period for PJM OATT rates and charges applicable to the period April 1, 2013 through December 2013, net of PSEG wheeling charges reflected in rates during that 2013 period. Commencing March 2014, PJM OATT rates and charges will be collected monthly as incurred and will include an adjustment to recover over a three-month period rates and charges applicable to the period January and February 2014. Charges applicable to the Electric Schedule will be collected through the MAC. Charges applicable under the PASNY Schedule will be collected from NYPA and shown on the Statement of Other Charges and Adjustments (OTH Statement), which will also separately show charges applicable to NYPA for Demand Management Programs.
- Smart Grid Program Costs: Costs for Smart Grid projects have been collected through the MAC under the Electric Schedule and through the Statement of Smart Grid Surcharge under the PASNY Rate Schedule. Credits will be passed back over the ten months commencing March 2014 to refund the revenue requirement associated with units of project work that were surcharged but not placed in service during calendar year 2013, to refund Smart Grid amounts that were surcharged in January and February 2014, and to reconcile prior-period costs.
- RDM: (a) allowed revenues were adjusted for Rate Year 1; (b) SC 2 and SC 6 were combined into one class, and SC 5 and SC 9 were combined into one class, for purposes of RDM reconciliation; (c) allowed revenues will be inclusive of reactive power demand charges; and (d) changes to RDM adjustments will commence every six months, in August and February, instead of the current May and November, except as otherwise specified.
- Transition Adjustment: The existing Transition Adjustment commences April based on the 12 months ending March 31 of that year. The Transition Adjustment that commences March 2014 under the Electric Schedule will be based on the nine months ending December 2013. Starting in 2015, the Transition Adjustment under the Electric Schedule and under the PASNY Rate Schedule will commence in January for the 12 months ending December of the prior year. The Transition Adjustment that commences January 2015 under the Electric Schedule will also collect Transition Adjustment revenue shortfalls resulting from the extension of the Case 13-E-0030 suspension period.

- Delivery Revenue Surcharge (“Surcharge”): The Surcharge will collect Allowed Pure Base Revenue shortfalls that result from extension of the Case 13-E-0030 suspension period, plus interest at the Company’s pre-tax rate of return, over 10 months commencing March 1, 2014. The unit amount of the Surcharge to be collected per SC will be shown on the Statement of Delivery Revenue Surcharge (“SDR Statement”) to the Electric Schedule. Any difference between amounts required to be collected and actual amount collected will be charged or credited to customers over a reasonable period after December 31, 2014. The monetary amount of the Surcharge to be collected from NYPA will be shown on the SDR Statement to the PASNY Schedule.
- Application Forms: The Application for Construction of Excess Distribution Facilities (Form C) was modified to specify the formula used for setting the lump-sum charge. The Application for Electric Net Metering or Standby Service and/or Buy-Back Service (Form G) was updated for station use and changes to contract demand provisions.
- SC 1: Applications will no longer be accepted starting March 1, 2014, for SC 1 Rate II (existing time-of-day rate) and SC 1 Special Provision D (off-peak water storage). Service will terminate under Special Provision D the earlier of the date on which no customers are served under that provision or December 31, 2023.
- SC 9 Rate I: Discounts will be phased out under SC 9 Special Provision D (electric space-heating demand reduction), so that no discounts apply commencing winter 2018-2019. The maximum rate will not be applicable to customers who commence service under Rate I on or after March 1, 2014.
- Riders E and F (series metering): Applications for service under these Riders will not be accepted on or after March 1, 2014.

Statements

The current filing includes the following Statements to the Electric Schedule: Statement of Delivery Revenue Surcharge – SDR Statement No. 1 and Statement of Rate Adjustment Clause – RAC Statement No. 5. The filing also includes the following Statements to the PASNY Rate Schedule: Statement of Delivery Revenue Surcharge – SDR Statement No. 1, Statement of Rate Adjustment Clause – RAC PASNY Statement No. 4, and Statement of Other Charges and Adjustments - OTH Statement No. 1.

Conclusion and Notice

As directed by Ordering Clause 3 and Ordering Clause 4 of the Order, the Company has filed its tariff amendments to take effect on a temporary basis, on one day’s notice, effective March 1, 2014.

As directed by Ordering Clause 3, the Company is serving copies of this filing electronically upon all parties to this proceeding.

As directed by Ordering Clause 6, the Company will file proof of newspaper publication within six weeks of the effective date of the tariff amendments.

Sincerely,

/s/ William A. Atzl, Jr.
Director
Rate Engineering Department

PSC No. 10 – Electricity: List of Tariff Changes

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>	<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>	<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
3	3	2	199	1	0	357	3	2
6	3	2	200	1	0	358	2	1
7	1	0	201	1	0	359	4	2
9	2	1	202	1	0	360	1	0
12	1	0	203	2	1	361	1	0
14	1	0	204	3	2	363	3	1
15	1	0	205	4	3	373	1	0
16	2	1	206	1	0	373.1	0	-
17	2	0	207	2	0	379	1	0
36	3	2	208	2	0	382.1	1	0
40	2	0	209	1	0	384	3	2
62	2	0	211	4	3	385	3	2
85	2	0	224	1	0	388	5	4
88	2	0	229	1	0	389	4	2
89	2	0	237	1	0	389.1	1	-
90	2	0	239	3	1	390	3	1
91	2	0	240	3	1	391	3	1
94	1	0	241	2	0	395	3	1
95	4	2	242	2	0	397	5	4
96	5	4	243	2	0	398	4	2
97	6	5	249.1	4	3	406	4	2
100	2	1	253	3	2	408	4	2
101	2	1	295	1	0	409	4	2
119	3	2	301	2	1	410	4	2
121	2	0	319	2	1	416	4	2
122	2	0	325	1	0	432	4	2
126	2	0	328	3	1	435	4	2
147	2	0	329	2	0	437	4	2
152	2	0	330	2	0	438	4	2
153	1	0	332	3	2	439	4	2
157.2	1	0	334	2	0	443	3	1
157.4	3	2	336	3	1	445	5	4
164	3	1	337	1	0	446	7	5
167	2	0	338	2	0	449	4	2
168	2	0	343	4	3	451	4	2
171	2	0	344	2	0	452	4	2
177	5	4	345	2	0	452.1	1	-
181	4	2	346	2	1	453	4	2
183	2	0	347	1	0	453.1	1	-
184	2	0	348	1	0	456	5	4
187.1	1	0	349	4	2	458	4	2
192	4	2	350	3	2	459	5	4
193	1	0	351	9	8	459.4	2	0
194	1	0	352	2	0	462	3	1
195	1	0	353	2	0	463	4	2
196	1	0	354	2	0	467	3	1
197	1	0	355	2	1	471	3	1
198	2	1	356	2	1	472	3	1

PSC No. 10 – Electricity: List of Tariff Changes

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
474	3	1
476	3	1
479	4	2
480	4	2
483	4	2
485	4	2
486	4	2
487	4	2
488	4	2
495	4	2
496	4	2
500	3	1
501	5	3
502	5	3
503	4	2

<u>Statement</u>	<u>Statement Type</u>	<u>Statement No.</u>
Statement of Rate Adjustment Clause	RAC	5
Statement of Delivery Revenue Surcharge	SDR	1

PSC No. 12 – Electricity: List of Tariff Changes

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision No.</u>
4	4	2
5	4	2
6	4	2
7	4	2
8	4	2
9	4	2
10	4	2
13	5	4
14	6	4
15	2	0
16	2	0
17.2	2	0
19	2	1
20	1	0
21	2	1
22	5	3
23	2	1
24	1	0
25	1	0
26	1	0
26.1	0	-
40	1	0

Statement

Statement of Rate Adjustment Clause
Statement of Delivery Revenue Surcharge
Statement of Other Charges and Adjustments

Statement Type

RAC PASNY
SDR
OTH

Statement No.

4
1
1

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 Estimated Effect on Con Edison Conventional and TOD Customers' Bills and Revenue
 Resulting from the Application of Proposed Conventional and TOD Rates and Charges
 Based on Sales and Revenues for the Twelve Months Ended December 31, 2010

Con Edison Service Classification - Conventional Rates		Total Revenues * @ April 2012 Rates	Total Revenues * @ January 2014 Rates	Estimated Change @ January 2014 Rates	Percentage Change	Estimated Number of Customers' Bills ***		
						Increased	Decreased	Unchanged
1 - Rate I **	Residential & Religious	\$3,670,270,868	\$3,669,276,032	-\$994,836	-0.03%	19,380,435	6,775,235	6,452,834
2	General - Small	\$590,378,030	\$598,283,505	\$7,905,475	1.34%	4,150,459	0	0
5 - Rate I	Electric Traction Systems	\$121,076	\$130,667	\$9,591	7.92%	108	0	0
6	Public & Private Street Lighting	\$3,487,533	\$3,493,181	\$5,648	0.16%	3,554	8,083	34,035
8 - Rate I	Multiple Dwellings - Redistribution	\$368,282,636	\$373,207,176	\$4,924,540	1.34%	21,949	0	0
9 - Rate I	General - Large	\$3,514,113,992	\$3,515,391,769	\$1,277,777	0.04%	628,862	653,147	185,522
12 - Rate I	Multiple Dwelling - Space Heating	<u>\$33,967,799</u>	<u>\$34,833,369</u>	<u>\$865,570</u>	2.55%	<u>5,221</u>	<u>2</u>	<u>75</u>
Sub-Total	Con Edison's Conventional Rates	\$8,180,621,934	\$8,194,615,699	\$13,993,765	0.17%	24,190,588	7,436,467	6,672,466
Con Edison Service Classification - Time-of-Day Rates								
1 - Rate II ***	Residential & Religious	\$20,521,891	\$20,585,960	\$64,069	0.31%	15,187	8,192	3,466
2 - Rate II	General - Small	\$1,294,730	\$1,324,257	\$29,527	2.28%	3,388	12	0
5 - Rate II	Electric Traction Systems	\$18,848,291	\$18,449,040	-\$399,251	-2.12%	0	60	0
8 - Rate II	Multiple Dwellings - Redistribution	\$20,633,075	\$20,842,367	\$209,292	1.01%	192	0	0
8 - Rate III	Multiple Dwellings - Redistribution - Voluntary	\$8,862,052	\$8,915,473	\$53,421	0.60%	504	0	0
9 - Rate II	General - Large	\$1,750,278,820	\$1,745,709,707	-\$4,569,113	-0.26%	369	6,880	983
9 - Rate III	General - Large - Voluntary	\$151,186,275	\$151,118,832	-\$67,443	-0.04%	2,691	9,240	6,849
12 - Rate II	Multiple Dwelling - Space Heating	\$42,090,056	\$43,088,728	\$998,672	2.37%	336	0	0
13 - Rate II	Bulk Power - High Tension - Housing Developments	<u>\$3,282,316</u>	<u>\$3,140,040</u>	<u>-\$142,276</u>	-4.33%	<u>0</u>	<u>12</u>	<u>0</u>
Sub-Total	Con Edison's Time-of-Day Rates	\$2,016,997,506	\$2,013,174,404	-\$3,823,102	-0.19%	22,667	24,396	11,298
Con Edison Total	Con Edison's Total Excluding Special Contract	\$10,197,619,440	\$10,207,790,103	\$10,170,663	0.10%	24,213,255	7,460,863	6,683,764

* Total Revenues for all customers include: T&D delivery charge and estimated market supply charge, monthly adjustment clause, system benefits/renewable portfolio standard program charges, the surcharge to collect Public Service Law, Section 18-a Assessments, and the associated gross receipts taxes.

The market supply charge revenues for retail access customers are equivalent to what these customers would have paid as full service customers.

** Total Revenues in Service Classification No. 1 include customers currently served under Rider D . Total Revenues in SC 1 include \$38.75 million of low income program credits at April 2012 Rate (i.e., \$38.25 million of low income rate and \$500,000 for waived reconnection fees) and \$48.00 million of low income program credits at January 2014 Rate (i.e., \$47.50 million of low income rate and \$500,000 for waived reconnection fees).

*** Current rates used in the bill impact for SC1, SC2 and SC9 Rate I reflect the revenue neutral change effective 4/1/2013 as adopted by the PSC in Case 09-E-0428.

**** The change in Con Edison P.S.C. No. 10 revenues for the rate year, i.e., the twelve months ending December 31, 2014, equates to \$9.93 million, or an overall increase of 0.1%.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Estimated Effect on NYPA Delivery Service Conventional and TOD Revenue Resulting from the Application of
Proposed Conventional and TOD Rates and Charges Based on Sales and Revenues For the 12 Months Ended December 31, 2010

	Total Revenue @ April 2012 Rates*	Total Revenue @ January 2014 Rates**	Estimated Change @ January 2014 Rates	Percentage Change
NYPA Delivery Service				
NYPA Total	\$1,483,800,950	\$1,493,377,146	\$9,576,196	0.65%

* Total Revenues include delivery service revenues and estimated supply revenues and the surcharge to collect Public Service Law, Section 18-a Assessments associated with customers billed under the PASNY Delivery Service - P.S.C. No. 12 tariff.

** Total Revenues include delivery service revenues, NYPA's share of RY1 and 2013 PJM OATT Costs and estimated supply revenues and the surcharge to collect Public Service Law, Section 18-a Assessments associated with customers billed under the PASNY Delivery Service - P.S.C. No. 12 tariff.

*** Based on sales and revenues for the rate year, i.e., the twelve months ending December 31, 2014, such increase in NYPA Delivery Service revenue equates to \$9.97 million or an overall increase of 0.68%.

PSC No. 10 - Electricity: Description of Tariff ChangesAppendix E
Page 1 of 6

<u>Tariff leaves</u>	<u>Leaf #s</u>	<u>Tariff Changes</u>	<u>Joint Proposal</u>
TOC	3	Delete Rule 10.9.	p. 83, item 19
TOC	6	Reserve Rider Q for future use.	p. 83, item 19
TOC	7	Add new General Rule 26.7, delivery revenue surcharge.	p. 73
TOC	9	Reserve SC 15 for future use.	p. 82, item 6
Definitions	12	Delete reference to NYCPUS and COWPUSA.	p. 82, item 6
Definitions	14	Delete references to SC 15.	p. 82, item 6
		Indicate in the definition of "EDDS Rate Schedule" that the schedule was canceled.	p. 82, item 6
Definitions	15	Add definition of "PASNY Customer."	p. 83, item 19
Definitions	16		
Definitions	17	Include the reactive power demand charge in the definition of pure base revenue ("PBR").	p. 82, item 13
Excess distribution facilities ("EDF"), Rule 5.2.4	36	Eliminate reference to the EDDS Rate Schedule. (Note, the EDF lump-sum charge formula was modified on Form C.)	p. 82, item 6
Customer contribution to total construction costs exceeding \$2 million, Rule 5.3.5	40	Exclude the actual transformer cost from the total construction cost. Revise the customer payment calculation to be the lesser of the Company's incremental cost or the total construction cost in excess of \$2 million.	p. 83, item 15
Requirements for Coincident Demand, Rule 6.6	62	Establish coincident billing, instead of additive billing, commencing with bills having "from" dates on or after 3/1/2014, for accounts over 500 kW subject to the reactive power program. Also eliminate the prohibition against billing on a coincident basis if one meter is less than 1% of the rated capacity of other meters on the account.	p. 81, item 3 and p. 83, item 19
Proration of Monthly Rates & Charges, Rule 10.5	85	Clarify how charges are prorated.	p. 82, item 8
Billing of Plural Meters, Rule 10.8	88	Eliminate the use of high-tension/low-tension ("HT/LT") service ratios for billing under combined HT/LT accounts if HT and LT meter readings are available under the reactive power program.	p. 81, item 3 and p. 83, item 19
Proration for rate changes, Rule 10.9	89	Delete this section. Move all proration rules to Rule 10.5. Reserve Rule 10.9 for future use.	p. 82, item 8
MMC - PBR calculation	90, 91	Indicate that the calculation deducts reactive power demand charges from PBR.	p. 82, item 13
Reactive power demand program	94	Update the timeline to indicate that billing for the over-1500 kW group will commence no later than 7/1/2015, rather than 7/1/2014.	p. 83, item 14
Reactive power demand charges	95	\$1.41 charge per kVar	App. 20
Billing Under Certain Economic Devel. Programs	96	Add SC 9 to the applicability list. Eliminate "CW," "ED," and "PFJ."	p. 82, item 6 and p. 83, item 19
Billing Under Certain Economic Devel. Programs	97	Eliminate references to CW, ED and PFJ. Also eliminate "except as provided below" at the bottom of the leaf, because no text follows.	p. 82, item 6 and p. 83, item 19
Billing Under Certain Economic Devel. Programs	100, 101	Eliminate reference to Rider Q, for which service has not been available since 6/30/2012. On Leaf 101, correct the PASNY Special Provision reference, and modify text regarding competitive metering services to reflect the only two remaining programs (RNY and WTC).	p. 83, item 19
Low-income ("LI") reconnection charge waiver	119	Waive the full reconnection fee starting 3/1/2014. Waive the fee no more than one time for customers enrolled in the LI program during the term of the electric rate plan (or more than once, on a case-by-case basis, if good cause is shown) until costs reach \$1.0 million during the term of the rate plan.	p. 105

PSC No. 10 - Electricity: Description of Tariff ChangesAppendix E
Page 2 of 6

<u>Tariff leaves</u>	<u>Leaf #s</u>	<u>Tariff Changes</u>	<u>Joint Proposal</u>
Special charges	121, 122	Update charges for hi-pot, Megger, and dielectric fluid tests and for the re-inspection charge.	p. 83, item 17
Accommodation billing	126	Update and unbundle the percentages applied for handling costs and corporate overheads.	p. 82, item 12
ESCO charge for BPP	147	\$1.20 per bill	App. 20
Standby service	152	Add definitions of "Wholesale Generator" and "Station Use."	p. 82, item 4
Standby service	153	Indicate that the DG Guide, applicable to DG rated 2-20 MW, is on the Company's website. When the Guide is revised, it will be posted to the Company's website thirty days before it takes effect.	p. 77
Standby service	157.2	Eliminate reference to the EDDS Rate Schedule.	p. 82, item 6
Standby - multiple-account offset	157.4	Revise the monthly communications service credit.	App. 20
Standby customer-set contract demand ("CD")	164	For DG installed in new construction or upgraded premises on or after 3/1/2014, require Company approval of the customer-set CD, and eliminate the penalty for exceedances. Customers installing DG in existing premises with no change in load may continue to set CD (subject to the penalty mechanism).	pp. 76-77
Standby service	167	Indicate that SC 9 Rates IV and V include station use rates, which are exclusive of transmission charges.	p. 82, item 4
Standby service	168	Indicate that wholesale generators are presumed not to have elected to purchase Company supply unless they provide written notice.	p. 82, item 4
Spoilage compensation	171	Update compensation amounts.	p. 82, item 5
Riders	177	Eliminate "customers of NYPA, NYCPUS and COWPUSA." Replace with "PASNY Customers," a newly defined term. Indicate that no applications will be accepted under Riders E or F on or after 3/1/2014.	p. 82, item 6
Rider D - Fire Alarms and Signal Systems	181	Rates. Also correct "per month" to "per calendar month."	App. 20 and p. 83, item 19
Rider E and F - Series Metering	183, 184	Accept no Rider E or F applications on or after 3/1/2014.	p. 82, item 7
Rider H - NYSERDA Loan Installment Program	187.1	Correct the tariff reference for the Increase in Rates & Charges.	p. 83, item 19
Rider I - Experimental Rate for Multi-dwellings	192	Rates	App. 20
Rider J - Business Incentive Rates ("BIR")	193 thru 202; 203 thru 209	Specify the % rate reduction for customers commencing BIR on or after 3/1/2014: (a) SC 9 Rates I, III, IV 49%; (b) SC 9 Rates II, V 45%; and (c) SC 2 (Sandy BIR) 36%. Continue to accept BIR applications during the term of the rate plan; add a new Superstorm Sandy BIR component; expand the biomedical MW allocation; and allow Recharge New York ("RNY") as a qualifying program under the "comprehensive package" provided the BIR term does not exceed the RNY term. Simplify and clarify the language of the Rider, and delete obsolete provisions. Reserve Leaf 203-209 for future use.	p. 77-81. Also, p. 83, item 19
Rider L - Direct Load Control Program	211	Eliminate "any customer of NYPA, NYCPUS, or COWPUSA." Replace with "PASNY Customer." Eliminate SC 15.	p. 82, item 6
Rider O - Curtailable Electric Service	224, 229	Eliminate "any customer of NYPA, NYCPUS, or COWPUSA." Replace with "PASNY Customer."	p. 82, item 6
Rider P - Purchases of Installed Capacity	237	Eliminate references to customers of NYPA, NYCPUS, and COWPUSA. Replace with "PASNY Customers."	p. 82, item 6
Rider Q - Power for Jobs	239 thru 243	Reserve the Rider for future use. The Power for Jobs Program ended 6/30/2012.	p. 83, item 19

PSC No. 10 - Electricity: Description of Tariff ChangesAppendix E
Page 3 of 6

<u>Tariff leaves</u>	<u>Leaf #s</u>	<u>Tariff Changes</u>	<u>Joint Proposal</u>
Rider R - Net Metering	249.1, 253	Eliminate references to the EDDS Rate Schedule and SC 15.	p. 82, item 6
Rider V - Emergency Demand Response Program	295	Eliminate references to customers of NYPA, NYCPUS, and COWPUSA. Replace with "PASNY Customers."	p. 82, item 6
Rider W - Day-ahead Demand Reduction Program	301	Eliminate references to customers of NYPA, NYCPUS, and COWPUSA. Replace with "PASNY Customers." Eliminate reference to Rider Q.	p. 82, item 6 and p. 83, item 19
Rider Y - High Load-density Service	319, 325	Eliminate reference to the EDDS Rate Schedule. Eliminate factors that were applicable to customers billed under Rider Q, SC 15, and the EDDS Rate Schedule.	p. 82, item 6
MSC	328	Change "East River Repowering Project" to "East River Complex." Eliminate references to SC 15, EDDS, and Rider Q.	p. 83, item 19
MSC	329	Amend component (3) by uncapitalizing "Ancillary Services Charges" to conform that item to the NYISO tariffs. Add text that the Factor of Adjustment is 1.063 based on line losses of 5.9%.	p. 83, items 16 and 19
MSC	330	Replace "adjusted for losses" text with "adjusted by the Factor of Adjustment."	p. 83, item 19
MSC ADJ	332	Eliminate reference to Rider Q.	p. 83, item 19
MSC ADJ	334	Describe how the adjustment is applied to bills.	p. 82, item 8
MFC Uncollectible Bill ("UB") factor	336	UB factors: 0.0082 system, 0.0129 residential, 0.0050 nonresidential. True-up the UB expense for charges determined after 12/31/2013, using the Case 13-E-0030 UB factors and charges determined through 12/31/2013, using the Case 09-E-0428 UB factors.	p. 73
Additional Delivery Charges & Adjustments	337	Add item (g): Delivery Revenue Surcharge.	p. 73
MAC	338	Incorporate Leaf 328 definitions by reference. Eliminate references to SC 15, EDDS, and Rider Q.	p. 83, item 19
MAC	343	Establish new MAC component 38 to recover costs associated with the PJM OATT. Eliminate reference to the EDDS Rate Schedule in component 33. Establish new MAC component 39 to recover the commodity-related component of customer credits associated with the SC 1 Rate III Plug-in Electric Vehicle ("PEV") price guarantee.	pp. 11-12 and p. 82, item 6, and p. 75
MAC UB factor	344	System UB factor of 0.0082. True-up the UB expense for charges determined after 12/31/2013, using the Case 13-E-0030 UB factor and charges determined through 12/31/2013 using the Case 09-E-0428 UB factor.	
MAC ADJ	345	Describe how the adjustment is applied to bills.	p. 82, item 8
MAC Smart Grid Surcharge	346, 347, 348	Refund to customers, with interest, over the 10 months commencing March 2014, the revenue requirement associated with project work that was surcharged but not placed in service in calendar year 2013 and surcharges collected in 1/2014 and 2/2014, adjusted for prior-period reconciliations.	pp. 38-39

PSC No. 10 - Electricity: Description of Tariff ChangesAppendix E
Page 4 of 6

<u>Tariff leaves</u>	<u>Leaf #s</u>	<u>Tariff Changes</u>	<u>Joint Proposal</u>
RDM	349	Collect /refund the difference between actual and allowed PBR for the six-month period ending September 2013 over the five months commencing November 2013; the difference for the five-month period ending February 2014 over the four months commencing April 2014; and the difference for the four-month period ending June 2014 over the six months commencing Aug. 2014. Thereafter, collect reconciliations for the six months ending June over the six-month period August through Jan., and for the six months ending Dec. over the six-month period Feb. through July. Eliminate reference to the EDDS Rate Schedule, SC 15, and Rider Q.	p. 82, item 11; p. 82 item 6
RDM	350	Combine SCs 9 and 5, and SCs 2 and 6, into single classes for reconciliation purposes.	pp. 8-9
RDM	351	Set RDM targets for RY1. Indicate that the SC 1 RDM amounts to be collected will be adjusted to recover the delivery-related component of customer credits provided under the SC 1 Rate III price guarantee for plug-in electric vehicles.	pp. 8 and 74-75
Low-income program	352	Specify that RDM collections will be adjusted to reflect the difference between actual low-income program costs and each class's share of the \$48.0 million of low-income program costs in base rates. Indicate that the program will continue beyond Dec 31, 2015 contingent on full cost recovery.	pp. 103-107
BPP charge	353, 354	\$1.20 per bill. Also, on Leaf 353, eliminate reference to SC 15 and Rider Q.	App. 20. Also, p. 82, item 6, and p. 83, item 19.
System Benefits Charge	355, 356	Eliminate references to SC 15 and Rider Q.	p. 83, item 19, and p. 82, item 6
PSL 18-a Surcharge	357, 358	Eliminate references to the EDDS Rate Schedule and Rider Q.	p. 83, item 19, and p. 82, item 6
Delivery Revenue Surcharge (Rule 26.7)	358	Recover shortfalls resulting from extension of the Case 13-E-0030 suspension period over 10 months commencing 3/1/2014.	p. 73
RAC	359	Rule 27(a): Change the rate year from the 12 months ending March to the 12 months ending December. Eliminate obsolete Rule 27(b).	p. 7 and p. 83, item 19
Transition Adjustment	360, 361	Indicate that the Trans Adj that commences March 2014 will be in effect for 10 months based on the 9 months ending Dec. 2013. The Trans Adj that commences Jan 2015, and each Jan. thereafter, will be in effect for 12 months based on the 12 months ending Dec. of the prior year. The Trans Adj in effect for the 12 months ending Dec. 2015 will also collect shortfalls resulting from extension of the Case 13 E-0030 suspension period. Also eliminate reference to SC 15 and Rider Q on Leaf 360.	pp. 73-74
Increase in Rates and Charges (GRT)	363	Describe how GRT is applied to bills. Also, eliminate reference to SC 7, SC 15, and the EDDS Rate Schedule.	p. 82, item 8. Also, p. 82, item 6 and p. 83, item 19
Form C - EDF application	373, 373.1	Specify the formula to be used for setting the lump sum charge.	p. 83, item 18
Form F - Rider Y service agreement	379	Eliminate reference to the EDDS Rate Schedule.	p. 82, item 6
Form G - Application for Standby Service	382.1	Update the application for station use.	p. 82, item 4
Form G - Application for Standby Service	384	Update the application for station use (electric supply).	p. 82, item 4
Form G - Application for Standby Service	385	Update the application for contract demand.	p. 76
SC 1	388	Rate I rates, including Special Provision D. Rate I low income rate: discount the customer charge by \$9.50. Change Applicability of Rate I to all Customers other than those billed under "Rate II to "Rate II or Rate III."	p. 103 and App. 20. Also, p. 83, item 19

PSC No. 10 - Electricity: Description of Tariff ChangesAppendix E
Page 5 of 6

<u>Tariff leaves</u>	<u>Leaf #s</u>	<u>Tariff Changes</u>	<u>Joint Proposal</u>
SC 1	389	Rate II rates Continue the Rate II customer charge at the 4/2013 level. Close Rate II to new applicants as of 3/1/2014.	p. 75 and App. 20
SC 1	389.1	New Rate III with a daily off-peak period of midnight to 8 a.m. Indicate that any switch by a retail access customer to full service will require the customer to remain on Rate III as a full service customer for one year from the date of the switch, and that full service customers must remain on Rate III as a full-service customer for one year. The minimum term of service under Rate III is 18 months.	pp. 74-75 and App. 20
SC 1 common provisions	390	Change Applicability of Common Provisions from "Rate I and Rate II" to "Rate I, II, and Rate III," due to the new rate.	p. 83, item 19
SC 1 Special Provision (A)(2)	391	Include electric vehicle chargers in examples of structures/equipment accessory to residential dwellings.	p. 83, item 19
SC 1 Special Provision D and new Special Provision E	395	Spec Prov D: No applications will be accepted on or after 3/1/2014. Service terminates under this Special Provision the earlier of the date on which no customers are served under this provision or 12/31/2023. Spec Prov E: Customers registering a PEV with the Company under Rate III will get a one-year price guarantee commencing with the first billing cycle after the customer registers the PEV with the Company.	p. 74 and p. 76
SC 2	397, 398	Rates I and II, including the Rate I rate block elimination	p. 81, item 1, plus App. 20
SC 5	406, 408, 409, 410	Rates I, II, III, and IV	App. 20
SC 6	416	Rate	App. 20
SC 8	432, 435, 437, 438, 439	Rates I, II, III, IV and V	App. 20
SC 8 Special Provision D	443	Clarify that the non-residential uses prohibited under Special Provision D (e.g., tenants' rooms without separate kitchens and baths) are permitted to the extent such non-residential uses are permitted under Special Provision C (e.g., if the nonresidential uses take up less than 10% of the total square foot floor area to which low-tension service is supplied).	p. 83, item 19
SC 9	445	Rate I rates, including the rate block elimination	p. 81, item 1, plus App. 20
SC 9	446	Increase the maximum rate, which is being phased out. The rate is not applicable to customers who commence service under Rider I on or after 3/1/2014.	p. 75
SC 9	449, 451, 452, 452.1, 453, 453.1	Rates II and III and Rates IV and V, including station use	App. 20
SC 9 Spec Prov A	456	Eliminate the obsolete provision regarding service areas where redistribution is not permitted without specific PSC authorization; clarify that the 10% restriction on low-tension redistribution to "tenants" refers to "residential tenants"; and specify the same prerequisites to engaging in residential redistribution as those that exist under Special Provision A of SC 8.	p. 82, item 9 and p. 83, item 19
SC 9 Spec Prov D phase out	458	Five-year phase-out, with no reduction applicable commencing winter 2018-2019	p. 81, item 2
SC 9 Spec Prov G - RNY	459	Eliminate reference to the EDDS Rate Schedule and Rider Q.	p. 82, item 6, and p. 83, item 19.

PSC No. 10 - Electricity: Description of Tariff ChangesAppendix E
Page 6 of 6

<u>Tariff leaves</u>	<u>Leaf #s</u>	<u>Tariff Changes</u>	<u>Joint Proposal</u>
SC 9 Spec Prov H (Excelsior Jobs Program - "EJP")	459.4	Specify EJP rate reductions for customers commencing EJP on or after 3/1/2014 (same % as BIR).	p. 81
SC 11 payment rate	462	Add text about scheduling and payments for deliveries.	p. 82, item 10
SC 11 customer charges	463	Rates. Also move text here from Leaf 472 about determination of contract demand for clarity.	p. 83, item 19
SC 11 paragraph numbering	467	Housekeeping: correct "2" to "1."	p. 83, item 19
SC 11 tax reimbursement provision	471	Housekeeping: delete obsolete provision about tax reimbursement.	p. 83, item 19
SC 11 determination of demand	472	Eliminate reference to rate blocks in par. 2, because there are no rate blocks; move text in par. 3 regarding contract demand charges to leaf 463; and delete par. 4 regarding simultaneous purchase and sale.	p. 83, item 19
SC 11 Spec Prov B	474	Delete the provision about simultaneous purchase and sale, because FERC prohibits such arrangements.	p. 83, item 19
SC 11 Spec Prov G	476	Indicate that sellers to the NYISO must meet SC 11 interconnection & operation rules, unless FERC jurisdictional.	p. 83, item 19
SC 12	479, 480, 483, 485, 486, 487, 488	Rates I, II, III, IV and V	App. 20
SC 13	495, 496	Rates I and II	App. 20
SC 15 cancelation	500, 501, 502, 503	Cancel SC 15: COWPUSA no longer receives SC 15 delivery service. Reserve leaves for future use.	p. 82, item 6

NOTE: Leaf No. 154, 459.3, and 466 were issued in the rate case filing in January 2013 and are not being reissued in this filing.

Appendix F

PSC No. 12 - Electricity (PASNY): Description of Tariff Changes

<u>Tariff leaves</u>	<u>Leaf #s</u>	<u>Tariff Changes</u>	<u>Joint Proposal</u>
Rate I	4	Rates	App. 20
street lights and FA	5	Rates	App. 20
Rate II	6	Rates	App. 20
Rate III	7	Rates, including station use	App. 20
Rate IV	8	Rates	App. 20
Rate IV	9	Rate for station use	App. 20
reactive demand charge	10	\$1.41 kVar charge for all customers (same as under PSC No. 10); also move text here from Leaf 16 about prorating the Increase in Rates and Charges.	App. 20
RAC	13	Change the rate year from the 12 months ending March to the 12 months ending December.	p. 7
Competitive Metering Services Credits and Monthly Communications Service Credit	14	Update credits for meter ownership, meter services, and meter data services. Also set the Monthly Communications Service Credit equal to the credit shown in the Electric Tariff, Leaf 157.4.	App. 20
additive/coincident & HT/LT	15	Eliminate the use of high-tension/low-tension ("HT/LT") service ratios for billing under combined HT/LT accounts if HT and LT meter readings are available under the reactive power program.	p. 81, item 3 and p. 83, item 19
Proration rules	16	Move text about the Increase in Rates and Charges to Leaf 10 for improved clarity	p. 82, item 8
Standby Service	17.2	Add a provision about Wholesale Generators and Station Use.	p. 82, item 4
Definitions	19	Eliminate the definition of "EDDS Rate Schedule." Also eliminate the explanation of the Schedule for Electricity and the PASNY Delivery Service Schedule tariff numbers in effect prior to 2/20/2012, which were intended for clarification at the time of the transition to the new schedules.	p. 82, item 6 and p. 83, item 19
Transition Adjustment	20	Change the reconciliation period from the 12 months ending March 31 to the 12 months ending December 31 to reflect the "Rate Year" change.	p. 6
RDM	21	Collect/refund the difference between actual and allowed PBR for the six months that ended Sept. 2013 over the five months that commenced Nov 2013; collect the difference for the five months that ended Feb 2014 over the four months commencing April 2014; and collect the difference for the four months ending June 2014 over the six months commencing Aug. 2014. Thereafter, collect reconciliations for the six months ending June over the six months commencing August, and for the six months ending Dec. over the six months commencing February.	pp. 8-9
RDM and low-income program costs	22	Set RDM targets for RY 1. Specify that RDM collections will be adjusted to reflect the difference between actual low-income program costs and PASNY's share of the \$48.0 million of low-income program costs in base rates. The program will continue beyond Dec 31, 2015 contingent on full cost recovery.	pp. 8-9
PSL 18-a surcharge	23	Eliminate reference to the EDDS Rate Schedule and SC 15.	p. 82, item 6
Smart Grid Surcharge	24, 25	Refund to customers, with interest, over the 10 months commencing March 2014, the revenue requirement associated with project work that was surcharged but not placed in service in calendar year 2013 and surcharges collected in 1/2014 and 2/2014, adjusted for prior-period reconciliations.	pp. 38-39
Delivery Revenue Surcharge	25	Recover shortfalls resulting from extension of the Case 13-E-0030 suspension period over 10 months commencing 3/1/2014.	p. 74
Charge for PJM OATT Costs and Charge for Demand Management Programs	26, 26.1	Add a provision for the recovery of PJM OATT rates and charges. File the charge on a Statement that separately shows this charge and the Charge for Demand Management Programs. In the text regarding the charge for demand management programs, eliminate reference to the EDDS Rate Schedule.	pp. 11-12 and p. 82, item 6
Special Provision G	40	Eliminate reference to Rider Q.	p. 83, item 19