

PSC NO: 9 GAS

LEAF: 158

COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

REVISION: 7

INITIAL EFFECTIVE DATE: 01/01/12

SUPERSEDING REVISION: 6

STAMPS: Issued in Compliance with Order in Case 10-G-0467 et al. dated September 16, 2011

GENERAL INFORMATION - Continued**VII. Gas Cost Factor and Monthly Rate Adjustment - Continued****(A) Gas Cost Factor Components - Continued****2. Annual Surcharge or Refund Adjustment:**

Actual gas cost recoveries shall be reconciled with actual gas expenses each year, and a surcharge or refund to recover Gas Cost Factor under-recoveries or refund Gas Cost Factor over-collections shall be computed as follows:

(a) By taking the cost of gas adjusted for the following:

- (i) supplier refunds, if any, being credited to firm customers pursuant to General Rule VII(A) 6. - Gas Supplier Refunds,
- (ii) firm customers' share of net revenues derived from the use of interstate pipeline capacity for capacity releases, bundled sales and other off-system transactions,
- (iii) take-or-pay charges billed to the Company by its gas suppliers set forth in General Information Sections VII (A) 3 and IX.2, including gas pipeline transition costs set forth in General Information Section VII (A)4,
- (iv) Winter Bundled Sales Service revenues from SC No. 20 Marketers and load following and daily delivery revenues from SC No. 9 firm transportation customers derived from rates in effect prior to October 1, 2010,
- (v) firm customers' allocated share of balancing services revenues from SC No. 9 Rates (H) and (I), SC No. 12, and SC No. 20 "Charges" (A) - (C) and (F) and power generation,
- (vi) Transition Surcharge for Capacity Cost revenues collected from firm sales and transportation customers as explained in General Information Section IX(4),
- (vii) liquefied propane consumed, as recorded on the Company's books during the determination period,
- (viii) the costs recorded during the determination period assignable to gas sold to Customers not subject to the Gas Cost Factor, and
- (ix) revenues associated with the transportation surcharge included in the Load Following charge as explained in General Information Section IX 6.

(General Information - Continued on Leaf No. 159)

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(Name of Officer, Title, Address)