

PSC NO: 9 GAS

LEAF: 178

COMPANY: **CONSOLIDATED EDISON COMPANY OF NEW YORK, INC**

REVISION: 10

INITIAL EFFECTIVE DATE: 01/01/12

SUPERSEDING REVISION: 9

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

GENERAL INFORMATION - Continued**IX. Special Adjustments - Continued****6. Load Following Charge- Continued**

customers will be included in the Monthly Rate Adjustments, at the same rate, and may be adjusted in any month if there are changes in the Company's projected annualized cost to provide this service and/or changes in the projected annual volume for delivery to firm full service and firm transportation customers. At the end of each twelve-month period commencing November 1, Load Following Charge recoveries shall be reconciled with actual balancing costs and any over- or under-recovery shall be refunded or recovered through the Load Following Charge during the next twelve-month period commencing November 1. Transportation surcharge recoveries shall be compared with the transportation surcharge target for each calendar year and any over- or under-recovery shall be included in the Load Following charge for the twelve-month period commencing the following January 1.

The Load Following Charge for each month shall be shown separately on the Statement of Monthly Rate Adjustment applicable to SC Nos. 1, 2, 3 and 13 and on the Statement of Rate to SC No. 9 filed with the Public Service Commission for that month.

7. Transition Adjustment for Competitive Services

The Transition Adjustment for Competitive Services ("TACS") is a per therm adjustment. Firm Sales customers taking service under Service Classification Nos. 1, 2, 3 and 13 and Riders G, H, J and I of this Rate Schedule and Firm Transportation customers taking service under SC 9 will be assessed a TACS as set forth in the Monthly Rate Adjustment (MRA). The TACS will include (1) lost revenues attributable to the Billing and Payment Processing Charge (BPP); and (2) any variation between the level of Credit and Collections/theft ("C&C") revenues applicable to POR customers and included in the POR discount rate, and actual C&C revenues received through the POR discount rate. The level of C&C POR reflected in the discount rate will be, for the Rate Year commencing October 1, 2010, the design target established in the Joint Proposal that was adopted by the Commission's September 22, 2010 Order in Case 09-G-0795 ("2010 Gas Rate Plan") and for the two subsequent Rate Years, will be based upon an allocation of C&C costs between full service and POR customers. The lost revenue attributable to the BPP equals the total BPP charges avoided by retail choice customers receiving an ESCO-issued consolidated bill.

For Service Classification Nos. 1, 2, 3 and 13, and for SC9 firm transportation, the TACS shall be determined by dividing the BPP lost revenues and the C&C variation for each rate year by the total of firm full service and transportation therms for the twelve month period for which the TACS is to be effective.

The difference between the amount to be recovered through the TACS and the actual amount recovered through the TACS will be reconciled. Any under-recovery or over-recovery resulting from such reconciliation plus interest (calculated at the Other Customer's Capital Rate) shall be included in the calculation of the subsequent year's TACS.

(General Information - Continued on Leaf No. 178.1)

Issued By: Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003

(Name of Officer, Title, Address)