

PSC NO: 10 – Electricity  
Consolidated Edison Company of New York, Inc.  
Initial Effective Date: 02/20/2012  
Issued in compliance with order dated 02/16/2012 in Case 08-E-0539

Leaf: 336  
Revision: 1  
Superseding Revision: 0

## GENERAL RULES

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

#### 25.3 Merchant Function Charge - Continued

- (d) a charge for the Uncollectible-bill Expense associated with the MSC and Adjustment Factors – MSC charges. The Uncollectible-bill Expense will be determined each month for Customers subject to the MFC in SC 1 and SC 7 (the “Residential Classes”) based on an estimate of costs recoverable through the MSC and Adjustment Factors – MSC charges for the Residential Classes and an Uncollectible Bill Factor of 0.0102. For Customers subject to the MFC in other SCs (the “Other Classes”), the Uncollectible-bill Expense will be determined each month based on an estimate of costs recoverable through the MSC and Adjustment Factors – MSC charges for the Other Classes and an Uncollectible Bill Factor of 0.0054. The resulting Uncollectible-bill expenses for Residential Classes and Other Classes will then be adjusted to reflect a system Uncollectible Bill Factor of 0.0076. Any difference between the monthly Uncollectible-bill Expense as determined above and the Uncollectible-bill Expense determined for the Residential Classes based on billed MSC and Adjustment Factors - MSC charges will be collected from or credited to the Residential Classes through the Uncollectible-bill Expense determined for the Residential Classes in a subsequent month. Any difference between the monthly Uncollectible-bill Expense as determined above and the Uncollectible-bill Expense determined for the Other Classes based on billed MSC and Adjustment Factors – MSC charges will be collected from or credited to the Other Classes through the Uncollectible-bill Expense determined for the Other Classes in a subsequent month.

At least once every 12 months, the Company will reconcile the Uncollectible-bill Expense required to be collected with the amounts billed, and any under-recovery or over-recovery will be passed through the Uncollectible-bill Expense applicable to both the Residential Classes and the Other Classes, with interest, in a subsequent month. Interest will be calculated at the Other Customer Capital Rate.

Each component of the MFC will be charged on a cents per-kilowatthour basis, taken to the nearest 0.0001 cent. The Company will file a Statement of Merchant Function Charge (“Statement”), apart from this Rate Schedule, showing the MFC amount per kilowatthour in effect for the calendar month and the date on which the MFC was determined. Amounts will be separately shown for the following: (i) Customers billed under SC 1 and SC 7, (ii) Customers billed under SC 2, and (iii) Customers billed under SC 5, 6, 8, 9, 12, and 13. Unless otherwise directed by the Commission, the Company will file Statements no less than three days prior to MFC changes.

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