

PSC NO: 12 – Electricity	Leaf: 22
Consolidated Edison Company of New York, Inc.	Revision: 3
Initial Effective Date: 05/11/2012	Superseding Revision: 2
Issued in compliance with order dated 03/22/2012 in Case 09-E-0428 and Case 12-E-0008	

**PASNY DELIVERY SERVICE**

**Additional Delivery Charges and Adjustments - Continued**

**(D) Revenue Decoupling Mechanism (“RDM”) Adjustment - Continued**

(3) Allowed Pure Base Revenue

Allowed Pure Base Revenue under this Rate Schedule is as follows:

For the 12 months commencing April 2012\*.....\$575,835,000

\* Allowed Pure Base Revenue commencing April 2012 is based on revenue targets set in Case 09-E-0428 and Case 12-E-0008. Revenue targets will continue unless and until changed.

Annual Allowed Pure Base Revenue will be revised whenever there is a change in delivery rates. Furthermore, if, for any reason, a Service Classification of the Company’s Schedule for Electricity no longer has existing customers, the Allowed Pure Base Revenue for that Service Classification will be reallocated to this Rate Schedule and to other Service Classifications of the Schedule for Electricity to provide for equitable treatment of revenue deficiencies from the discontinued class. In the event Allowed Pure Base Revenue is reallocated, the Company will notify the Department of Public Service Commission Staff of the revised Allowed Pure Base Revenue amount(s). The Company will be allowed to defer collection of any revenue shortfall or refund of any revenue surplus that results from a delay in the approval of a reallocation of Allowed Pure Base Revenue.

(4) Low Income Program Costs

The Company will adjust the RDM amounts to be collected over each six-month RDM collection/refund period to reflect each class’s share of the difference between actual Low Income Program costs and the amount of these costs included in rates (i.e., \$38.75 million annually).

Any Low Income Program costs required to be collected or refunded will be passed through the RDM Adjustment applicable under this Rate Schedule and the RDM Adjustment applicable under the Company’s Schedule for Electricity. The amount to be collected or refunded under this Rate Schedule will be equal to the total amount to be collected or refunded times the ratio of forecasted Rate Year Delivery Revenues under this Rate Schedule to the combined total of forecasted Rate Year Delivery Revenues under this Rate Schedule and the Schedule for Electricity for the Rate Year in effect at the commencement of the six-month collection/refund period.

Continuation of the Low Income Program beyond March 31, 2013, will be contingent on the continuation of full cost recovery through the RDM Adjustment or an equivalent mechanism.

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