

PSC NO: 9 GAS
COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
INITIAL EFFECTIVE DATE: 12/02/06
STAMPS:

LEAF: 166
REVISION: 8
SUPERSEDING REVISION: 7

GENERAL INFORMATION - Continued

VII. Gas Cost Factor and Monthly Rate Adjustment - Continued

(B) Monthly Rate Adjustment Components – Continued

1. Non-Firm Revenue Credit - Continued

Allocation of Non-Firm Revenues

The Company shall retain 100 percent of Non-Firm Revenues in (a) through (d) above up to the first \$35 million for each "Rate Year" commencing October 1 with the first Rate Year beginning October 1, 2007.

Firm Sales and Firm Transportation Customers shall be allocated 80 percent of Non-Firm Revenues in (a) through (d) above in excess of \$35 million for each "Rate Year" commencing October 1 with the first Rate Year beginning October 1, 2007.

provided, however, that: (1) Firm Customers' allocated share of Non-Firm Revenues will be reduced to provide for recovery of the booked cost of plant in service applicable to SC No. 12 (Rate 1) and SC 9 (Rates B and D) interruptible customers as of September 30, 2004 through 5 year amortization ending September 30, 2009 pursuant to paragraph C of Appendix A of the Joint Proposal dated May 28, 2004, as approved by the Commission's Order dated September 27, 2004 in Case No. 03-G-1671("Joint Proposal"). (2) Firm Customers allocated share of Non-Firm Revenue will be reduced to provide recovery of the booked cost of the plant applicable to SC 12 (Rate 1) and SC 9, (Rates B and D) interruptible Customers placed in service between October 1, 2004 and December 31, 2005. Such interruptible plant cost will be amortized over a three year period commencing October 1, 2007 and ending September 30, 2010. If Firm Customers' share of Non-Firm Revenues is not adequate to provide for recovery of items (1) and (2) above, the Company will defer any such deficient amount for future recovery. The Company shall retain the balance of the Non-Firm Revenues not allocated to Firm Customers.

(General Information - Continued on Leaf No. 166.1)

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

(Name of Officer, Title, Address)