

PSC NO: 9 GAS
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
INITIAL EFFECTIVE DATE: October 1, 2004

LEAF: 165
REVISION: 7
SUPERSEDING REVISION: 5

STAMPS: Issued in compliance with order in Case 03-G-1671 dated September 27, 2004

GENERAL INFORMATION - Continued

VII. Gas Cost Factor and Monthly Rate Adjustment - Continued

(B) Monthly Rate Adjustment Components - Continued

1. Non-Firm Revenue Credit - Continued

- (d) Monthly net base revenues derived from:
- (i) Customers receiving interruptible service under SC No. 12 (Rate 1);
 - (ii) Customers receiving interruptible service under SC No. 9 (Rates B and D);
 - (iii) Power Generation Customers receiving interruptible or off-peak firm service, including interruptible or off-peak firm service under SC No. 9 Rate D(1) or special negotiated contracts or off-peak firm service customers under SC No. 9 Rate D(2)
 - (iv) Interruptible or off-peak firm service to Company-owned power generation plants, steam and steam – electric plants and to existing new and divested power generation facilities owned by third parties; and
 - (v) New York Power Authority in excess of \$3.1 million annually.

Non-Firm Revenues are net base revenues which are total revenues less the following, as applicable: taxes, actual cost of gas including hedging costs and gas supplier take or pay charges, balancing and associated charges, and any revenues included in total revenues related to reimbursements for facility costs associated with providing service, including, but not limited to, metering and communication equipment, service pipes and lines, service connections, main extensions, measuring and regulating equipment and system reinforcements and other facilities necessary to render service.

Net base revenues from Customers receiving interruptible service in (d) (i) and (d) (ii) above will exclude revenues from a Customer commencing service after October 1, 2004 until after all facility costs from the installation associated with that Customer are fully recovered.

Firm Customers' allocated share of Non-Firm Revenues in (a) and (d) above, and firm Customers' share of the net revenues in (b) above derived from the use of pipeline capacity by SC No. 19 customers, will be reflected in the Non-Firm Revenue Credit.

Firm Customers' allocated share of net revenues from capacity release, bundled sales and other off-system transactions in (b) above and the firm Customers' share of balancing revenues in (c) above, will be credited to firm sales Customers via a reduction to fixed gas costs reflected in the Average Cost of Gas used in computing the monthly Gas Cost Factor.

(General Information - Continued on Leaf No. 166)

Issued By: ~~Joan S. Freilich, Executive Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003~~

(Name of Officer, Title, Address)