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PSC NO: 9 GAS LEAF: 303.2 CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 3 INITIAL EFFECTIVE DATE: October 1, 2004 SUPERSEDING REVISION: 1

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

SERVICE CLASSIFICATION No. 9 - Continued

TRANSPORTATION SERVICE - Continued

Rates - Continued

(J) Other Rates, Charges and Adjustments - Continued

(7) Competitive Retail Choice Credit: - Continued

CRCC Funding Sources:

The Company shall be reimbursed for Net CRCCs by reducing the following credits or revenues otherwise due customers:

- (1) interstate pipeline refunds received by the Company
 - (a) During the period October 1, 2001 and ending September 30, 2004, including pipeline refunds received during the twelve month period ending September 30, 2001 that were not used to provide for Net CRCCs for the period December 1, 2000 through September 30, 2001.
 - (b) Commencing October 1, 2004.
- (2) charges collected from customers for their failure to comply with the terms and conditions of the Company's interruptible, off-peak firm and power generation services
 - (a) During the period October 1, 2001 and ending September 30, 2004, including any prior period charges that were not used to provide for Net CRCCs for the period December 1, 2000 through September 30, 2001.
 - (c) Commencing October 1, 2004.

CRCC Funding Sources that are not used to fund Net CRCCs in any Rate Year will be used to fund Net CRCCs in the subsequent Rate Year(s).

As set forth in the Joint Proposal, credits or revenues outlined above shall also fund the following items:

- (i) \$0.65 per account for consolidated billing credits to Firm Transportation Customers as set forth in Miscellaneous Provision (C) of SC No. 9 and Miscellaneous Provision (P) of SC No. 20 sections of the Tariff.
- (ii) A Migration Incentive applicable to the Company's retail access program which will be recoverable following the end of each Incentive Period.

For each Rate Year commencing October 1, 2004, if the credits or revenues outlined above are not sufficient to fully fund the total Net CRCCs, consolidated billing credits, and migration incentives, any such amounts will be recovered via the "Transition Adjustment for Competitive Services" as set forth in General Information Section IX(7).

(Service Classification No. 9 - Continued on Leaf No. 304)

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(Name of Officer, Title, Address)