

PSC NO: 9 GAS
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
INITIAL EFFECTIVE DATE: December 21, 2003

LEAF: 162
REVISION: 4
SUPERSEDING REVISION: 3

GENERAL INFORMATION - Continued

VII. Gas Cost Factor and Monthly Rate Adjustment - Continued

(A) Gas Cost Factor Components - Continued

6. Gas Supplier Refunds:

If the Company receives refunds of excess charges paid to the supplier or suppliers prior to gas being purchased under a common supply arrangement, such refunds will be credited to the Company's firm gas customers.

In addition, if a refund is received pertaining to the period where gas is purchased under a common supply arrangement for the Companies, such refund will be allocated between the Companies in proportion to the Companies' respective monthly firm sales sendout quantities and firm transportation quantities covering the period of the refund. If gas is also purchased for the Company's steam and steam-electric units during that period, the refund allocation shall also take into account the sendout quantities from the steam and steam-electric units to the extent that the period of the refund includes the Winter season.

Firm transportation customers who take an assignment of Con Edison's upstream capacity assets shall receive the portion of any refunds associated with those upstream capacity assets as a credit to the Monthly Rate Adjustment applicable to SC No. 9.

The refund credits shall be computed as follows:

The Company shall commence crediting its Firm Gas Sales Customers, and its Firm Transportation Customers who take an assignment of Con Edison's upstream capacity, within six months of the date of receipt of each refund by a credit to the Gas Cost Factor applicable to SC Nos. 1, 2, 3 and 13 and to the Monthly Rate Adjustment applicable to SC No. 9 over a 12-month period. Any refunds received by the Company from its suppliers may be combined for purposes of computing the refund credit.

(General Information - Continued on Leaf No. 163)

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

(Name of Officer, Title, Address)