

**..DID: 7003****..TXT: PSC NO: 9 GAS****LEAF: 183.1****COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 0****INITIAL EFFECTIVE DATE: 04/01/99 SUPERSEDING REVISION:****STAMPS:****Cancelled by 1 Rev. Leaf No. 183.1 Effective 04/01/1999****RECEIVED: 02/01/99 STATUS: Cancelled EFFECTIVE: 04/01/99****GENERAL INFORMATION - Continued****IX. Special Adjustments-Continued****5. Strandable Cost Surcharge**

Strandable capacity costs, if any, resulting from firm sales customers converting to firm transportation service on and after April 1, 1999, and not taking an assignment of the Company's capacity, will be collected from firm sales and firm transportation customers as a separate surcharge through the Gas Adjustment (see Section VII 4.(E)(5)) and the Adjustment to Base Rates (See SC 9 Rates (J)(1)), respectively. The surcharge will be calculated as follows:

Strandable Cost Surcharge ("SCS") =  $\frac{\$cap}{\text{projected therms}}$  where,

$\$cap = \frac{[tcap] * ([ucap\$] - \text{Capacity Release Credits("CRC")})}{[ucap]}$

$ucap\$ =$  total Company capacity costs less capacity costs recovered through the Company's rates and charges for transportation balancing services.

$tcap =$  Quantity of strandable capacity resulting from firm sales customers converting to transportation and not taking an assignment of the Company's capacity (dt).

$ucap =$  total Company capacity (dt) less capacity used by the Company for balancing purposes.

$CRC =$  capacity release credits associated with  $tcap$ .

Projected therms = annual projected firm sales and firm transportation volumes

The surcharge will become effective on the first day of the second calendar month succeeding the month in which strandable costs are incurred. Surcharge collections will be subject to periodic reconciliation.

(General Information - Continued on Leaf No. 184.0)

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(Name of Officer, Title, Address)