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**COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 3**  
**INITIAL EFFECTIVE DATE: 07/01/99 SUPERSEDING REVISION: 2**  
**STAMPS: Issued in compliance with order in C. 98-G-1785 et.al. February 22, 19**  
**CANCELLED by Supplement 5 effective 06/29/00**  
**Suspended by order in Case 98-G-1785. See suppl. No. 4,**  
**Effective date postponed to 09/01/99. See Supplement No. 1**  
**RECEIVED: 05/24/99 STATUS: Cancelled EFFECTIVE: 07/01/00**

### GENERAL INFORMATION - Continued

#### VII. Gas Adjustment Clause - Continued

##### 3. Average Cost of Gas - Continued

###### (B) Cost of Gas Applicable to Service Classification Nos. 1, 2, 3, and 13:

The total of the variable gas costs and the total of the fixed gas costs derived in Section (A) above shall be reduced by:

- (a) the estimated cost of gas allocated to interruptible and off-peak firm Customers taking service under Service Classification Nos. 12 and 19, and
- (b) eighty-five percent of the revenue credit associated with capacity release for other than capacity freed up as a result of firm customers migrating to transportation on and after April 1, 1999, adjusted by capacity release credits applicable to Firm Transportation Customers included in the System Reliability Adjustment, as explained in General Information Section IX.6.

###### (C) Average Cost of Gas Applicable to Service Classification Nos. 1, 2, 3, and 13:

The average cost of gas shall be the cost applicable to Service Classification Nos. 1, 2, 3 and 13 derived in Section (B) above divided by the total quantity of gas purchased by the Company for Customers served under Service Classification Nos. 1, 2, 3, and 13 for the 12 successive calendar months immediately preceding the date of computation.

##### 4. Adjustments to the Gas Adjustments

###### (A) Annual Surcharge or Refund Adjustment:

Actual gas cost recoveries shall be reconciled with actual gas expenses each year, and a surcharge or refund to recover gas adjustment under-recoveries or refund gas adjustment over-collections shall be computed as follows:

- (1) By taking the cost of gas adjusted for supplier refunds, the net revenue credits associated with capacity release and balancing services, system reliability costs recovered from firm transportation Customers, and liquefied propane consumed as recorded on the Company's books during the determination period, adjusting that cost to reflect a level of purchased gas commensurate with actual sales and the factor of adjustment and subtracting therefrom an amount equal to:

(General Information - Continued on Leaf No. 160.0)

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

(Name of Officer, Title, Address)