

PSC NO: 9 GAS

LEAF: 181.1

COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

REVISION: 8

INITIAL EFFECTIVE DATE: 02/01/2020

SUPERSEDING REVISION: 6

Issued in Compliance with Order in Case 19-G-0066 dated January 16, 2020

GENERAL INFORMATION - Continued**IX. Special Adjustments - Continued****14. Revenue Decoupling Mechanism ("RDM") Adjustment**

For each year commencing January 1 ("Rate Year") Delivery Revenue from firm gas sales customers served under Service Classification ("SC") Nos. 1, 2 and 3 and from firm transportation customers taking service under SC 9 who would otherwise have taken service under SC 1, SC 2 or SC 3, will be subject to a reconciliation through a Revenue Decoupling Mechanism ("RDM") Adjustment, as described below. For purposes of the RDM adjustment, Delivery Revenue is defined as revenue derived from the base tariff rates applicable to SC 1, 2 and 3, and from the associated SC9 firm transportation tariff rates and weather normalization credits and surcharges. The RDM applies to the following customer groups, including all customers taking service under SC 9 that would have taken service under such group:

- SC No. 1;
- SC No. 2 – Rate I;
- SC No. 2 – Rate II;
- SC No. 3 customers with 1-4 dwelling units; and
- SC No. 3 customers with more than 4 dwelling units;

The groups will also include, as applicable, (1) customers taking service under Rider G (Economic Development Zone); (2) all gas volumes associated with customers receiving air conditioning service under SC 2 and 3; (3) the usage up to and including the Baseline Billing Determinants for customers taking service under Rider D (Excelsior Jobs Program) and (4) SC 1 and SC 3 customers participating in the Low Income Program. The groups will exclude (1) customers taking service under Rider H (Distributed Generation Rate), Rider I (Gas Manufacturing Incentive Rate), and Rider J (Residential Distributed Generation Rate); (2) customers receiving service under firm by-pass rates; and (3) the usage above the Baseline Billing Determinants for customers taking service under Rider D.

For each customer group subject to the RDM, the Company will, at the end of each Rate Year, make an RDM adjustment to the extent that Actual Delivery Revenue varies from Allowed Delivery Revenue. Actual Delivery Revenue is the total of the Rate Year's revenue derived from the base tariff rates applicable to SC 1, 2 and 3, and from the associated SC 9 firm transportation tariff rates, and weather normalization credits or surcharges, but excluding revenues derived from the RDM adjustment as described below. Actual Delivery Revenue will be adjusted to add, for the first month that new base rates go into effect in each Rate Year, the effect of proration between old and new rates.

(General Information - Continued on Leaf No. 181.2)

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