

PSC NO: 9 GAS

LEAF: 155.1

COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

REVISION: 6

INITIAL EFFECTIVE DATE: 04/01/18

SUPERSEDING REVISION: 5

STAMPS:

VII. Gas Cost Factor and Monthly Rate Adjustment – Continued**(A) Gas Cost Factor Components – Continued****1. Average Cost of Gas - Continued****(a) Fixed Gas Costs:**

- (i) Fixed gas costs include pipeline demand charges, supplier gas inventory charges, storage demand charges, and any similar charges that do not vary with the volume of gas purchased, including the cost of capacity that enables the Company to offer Capacity Release Service and excluding fixed gas costs associated with assets used for balancing, and applicable surcharges and taxes. Fixed gas costs shall be allocated to each Company using a fixed percentage based on the ratio of each Company's forecasted winter peak day capacity requirement, to the total forecasted peak day capacity requirement of the Companies. The fixed percentages shall be revised annually to become effective November 1. The Company shall advise the Commission Staff on or before October 1 of each year of any changes in the fixed percentages to be implemented the following November 1.
- (ii) Fixed gas costs associated with assets used for balancing shall be allocated to each Company using a fixed percentage based on the ratio of each Company's forecasted balancing service requirements to the total of both Companies' balancing requirements. The fixed percentages shall be revised annually to become effective November 1. The Company shall advise the Commission Staff on or before October 1 of each year of any changes in the fixed percentages to be implemented the following November 1.
- (iii) The Company's apportioned share of fixed gas costs is further reduced by the costs associated with assets allocated to the Company's firm transportation customers under Tier 2(A) and Tier 3 of the Company's Daily Delivery Service offered under Service Classification No. 20.

The Company's apportioned share of fixed gas costs = (i) + (ii) – (iii).

(General Information - Continued on Leaf No. 156)

Issued By: Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003

(Name of Officer, Title, Address)