## GENERAL INFORMATION - Continued

## VII. Gas Cost Factor and Monthly Rate Adjustment

(A) Gas Cost Factor (GCF): The rates for gas service under SC Nos. 1, 2, 3 and 13 shall be increased each month by a Gas Cost Factor to reflect the Average Cost of Gas for the month, as adjusted by the following:
(1) Annual Surcharge or Refund Adjustment;
(2) Gas Supplier Take-or-Pay Charges;
(3) Pipeline Transition Costs; and
(4) SC 2 Make Whole Provision.
(B) A Monthly Rate Adjustment (MRA): The rates for gas service under SC Nos. 1, 2, 3 and 13, applicable Riders and equivalent firm transportation service under SC 9 will reflect the following:
(1) Non-Firm Revenue Credit;
(2) Other Monthly Rate Adjustment Components;
(i) Gas Facility Costs Credit Provision;
(ii) Transition Surcharge for Capacity Costs;
(iii) Research \& Development Surcharge;
(iv) Load Following Charge;
(v) Transition Adjustment for Competitive Services;
(vi) Low Income Reconciliation Adjustment;
(vii) Uncollectibles Charge Related to Monthly Rate Adjustment;
(viii) Gas in Storage Working Capital Charge;
(ix) Oil to Gas Conversion Program Surcharge;
(x) Curtailment Cost Recovery Charge;
(xi) Pipeline Facilities Adjustment;
(xii) Other Non-Recurring Adjustments;
(xiii) Energy Efficiency Employee Variable Pay Adjustment ("EEEVPA");
(xiv) New York Facilities Adjustment;
(xv) Gas Supplier Refunds;
(xvi) Safety and Reliability Surcharge Mechanism ("SRSM");
(xvii) Climate Change Vulnerability Study;
(xviii) Earnings Adjustment Mechanisms ("EAMs") and Other Revenue Adjustments;
(xix) Gas Demand Response Surcharge; and
(xx) Reconciliation of Interference Costs
(C) A Weather Normalization Adjustment.

The Gas Cost Factor and Monthly Rate Adjustment shall be expressed to the nearest 0.0001 of one cent.

## (A) Gas Cost Factor Components

1. Average Cost of Gas

Pursuant to the Settlement Agreement adopted by the Commission in its Order Authorizing Merger, issued and effective April 2, 1999, gas is purchased under a common supply arrangement for both Consolidated Edison Company and Orange and Rockland Utilities ("Companies"). The arrangement is administered by a single corporate department or entity for the benefit of the Companies, which purchase gas and services for the Companies in a manner that minimizes their total cost. The Company's monthly Average Cost of Gas applicable to the rates under SC Nos. 1, 2, 3 and 13 shall be based upon the Company's apportioned share of fixed and variable costs and shall be computed as follows:
(General Information - Continued on Leaf No. 155.1)
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