

PSC NO: 9 GAS

LEAF: 178.1

COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

REVISION: 9

INITIAL EFFECTIVE DATE: 02/28/16

SUPERSEDING REVISION: 8

STAMPS:

GENERAL INFORMATION – Continued**IX. Special Adjustments – Continued****7. Transition Adjustment for Competitive Services – Continued**

full service and transportation therms for the twelve month period for which the TACS is to be effective. The TACS that commences each January 1 will be in effect for a 12-month period and will be based on the 12 months ending December of the prior year.

The difference between the amount to be recovered through the TACS and the actual amount recovered through the TACS will be reconciled. Any under-recovery or over-recovery resulting from such reconciliation plus interest (calculated at the Other Customer's Capital Rate) shall be included in the calculation of the subsequent year's TACS.

8. Merchant Function Charge (MFC)

The Merchant Function Charge (MFC), for each Service Classification (and applicable Riders) consists of the following components:

- (a) a Supply component, which includes commodity procurement (including commodity revenue based allocation of information resources and education and outreach costs), shown below in cents per therm:

<u>Service Classification</u>	<u>Supply-related Component</u>
SC No. 1 and SC No. 3	0.4208
SC No. 2 and SC No. 13	0.2661

- (b) a credit and collections/theft ("C&C") component, shown below in cents per therm:

<u>Service Classification</u>	<u>C&C-related Component</u>
SC No. 1 and SC No. 3	1.3173
SC No. 2 and SC No. 13	0.6007

- (c) an uncollectible expense component associated with supply; and
(d) a gas in storage working capital component.

The MFC will be charged monthly to Firm Full Service Customers served under SC 1, 2, 3 and 13. The uncollectible expense component will be aligned with service classes consistent with the monthly Gas Cost Factors (GCF) and will reflect uncollectible factors of \$1.1568 per \$100 of commodity costs for residential customers and \$0.4591 per \$100 of commodity costs for non-residential customers.

The rates for recovery of gas in storage working capital costs will be set such that the per therm rate included in the MFC will be equal to the per therm rate included in the MRA.

For each twelve month period commencing January 1 (Rate Year), amounts collected through the Supply component and the C&C component of the MFC will be reconciled to the design targets established for the Rate Year. Any differences will be included in the Supply and C&C components of the MFC in the subsequent Rate Year.

(General Information - Continued on Leaf No. 178.2)

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(Name of Officer, Title, Address)