

PSC NO: 9 GAS**COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.****INITIAL EFFECTIVE DATE: 11/01/16****STAMPS:****LEAF: 164****REVISION: 11****SUPERSEDING REVISION: 10****GENERAL INFORMATION – Continued****VII Gas Cost Factor and Monthly Rate Adjustment – Continued****(B) Monthly Rate Adjustment Components****1. Non-Firm Revenue Credit**

Customers receiving firm sales service under SC Nos. 1, 2, 3, and 13 ("Firm Sales Customers") and Customers receiving firm transportation service under Rate A of SC No. 9 ("Firm Transportation Customers") shall be eligible for a monthly Non-Firm Revenue Credit expressed on a cents per therm basis.

For Firm Sales Customers, the Non-Firm Revenue Credit will be applied to the Monthly Rate Adjustment applicable to SC Nos. 1, 2, 3 and 13. For Firm Transportation Customers, the Non-Firm Revenue Credit will be applied to the Monthly Rate Adjustment applicable to SC No. 9. The Non-Firm Revenue Credit will be revised monthly and applied as a credit to the applicable Monthly Rate Adjustment effective on the first calendar day of each month.

Firm Customers' share of non-firm revenues shall be credited to Firm Sales and Firm Transportation Customers through the Non-Firm Revenue Credit and as a reduction to the Average Cost of Gas in General Information Section VII (A)1.

Firm Customers' share of Non-Firm Revenues includes the following:

- (a) Net revenues derived from use of interstate pipeline capacity for or by Customers taking service under SC No. 12 (Rate 2) and interruptible or off-peak firm service provided under negotiated bypass SC No.9 Rate D(1);
- (b) net revenues derived from the use of interstate pipeline capacity for capacity releases, except for capacity releases to (i) Firm customers and/or ESCOs serving Firm customers under the Company's Capacity Release Service Program, (ii) the demand charges recovered through the Winter Bundled Sales Service, (iii) the demand charges recovered through the Managed Supply Service prior to November 1, 2016 and (iv) the demand charges recovered through the Managed Supply (Storage) and Peaking Tiers under the Company's SC No. 20 Daily Delivery Service, SC No. 19, bundled sales and other off-system transactions (e.g., gas supplied to the Company's steam and steam-electric units);
- (c) net revenues derived from balancing services under SC No. 9 "Rates" (H) and (I), SC No. 12, and SC No. 20 "Charges" (A)-(C) and power generation;

(General Information - Continued on Leaf No. 165)**Issued By: Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003****(Name of Officer, Title, Address)**