

PSC NO: 9 GAS

LEAF: 183.4

COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

REVISION: 1

INITIAL EFFECTIVE DATE: 02/01/17

SUPERSEDING REVISION:

STAMPS: Issued in Compliance with Order in Case 16-G-0061 dated January 25, 2017

GENERAL INFORMATION - Continued**IX. Special Adjustments - Continued****22. Gas Supplier Refunds - Continued**

Any under- or over- recovery which results from the operation of this refund provision shall be included in the computation of the next applicable Gas Supplier Refund. If the Company receives a refund from its gas supplier or suppliers where the total amount of the refund, including interest, is too small to be credited separately, such refund shall be included in the computation of the next Gas Supplier Refund.

Simple interest, at the Commission's Other Customer Capital Rate, shall be accrued on supplier or suppliers' refunds from the date of receipt of such refund by the Company until the refund is included in the Monthly Rate Adjustment. Commencing with the date the supplier or suppliers' refund is included in the Monthly Rate Adjustment, interest will be accrued on the estimated monthly unrefunded balances through the end of the refund period.

Where exceptional circumstances warrant, the Company may petition the Public Service Commission for waiver of the above refund plan.

23. Safety and Reliability Surcharge Mechanism ("SRSM")

All Firm Sales and Firm Transportation Customers shall be subject to a Safety and Reliability Surcharge Mechanism to recover: 1) the carrying costs on incremental capital expenditures and O&M expenses associated with the replacement of leak prone pipe above the levels established under the Rate Plan approved in Case 16-G-0061; and 2) incremental O&M expenses associated with lowering the Company's leak backlog, subject to the conditions set forth below.

Incremental O&M costs incurred in each Rate Year will be recovered over a 12 month period. Carrying costs associated with incremental leak prone pipe capital expenditures will be recovered until the Company's base delivery rates are reset in the Company's next base rate case. The SRSM shall be calculated on a cents per therm basis and shall be surcharged to all Firm Sales and Firm Transportation Customers. The SRSM will commence on March 1 following the applicable Rate Year, beginning March 1, 2018, and will be effective for a twelve-month period. Any over- or under-collections for each period, including interest at the Commission's Other Customer Capital Rate, will be reconciled and included in a subsequent SRSM.

Leak Prone Pipe ("LPP")

- a. Both the actual costs of LPP replacement and the actual LPP footage replaced as of the end of the Rate Year must exceed the targets set forth in Appendix 6 of the Joint Proposal included in the Rate Plan approved in Case 16-G-0061.

(General Information - Continued on Leaf No. 184)**Issued By: Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003**

(Name of Officer, Title, Address)