

PSC NO: 9 GAS

LEAF: 178.2

COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

REVISION: 0

INITIAL EFFECTIVE DATE: 03/01/14

SUPERSEDING REVISION:

STAMPS: Issued in Compliance with Order in Case 13-G-0031 dated February 21, 2014

GENERAL INFORMATION – Continued**IX. Special Adjustments – Continued****8. Merchant Function Charge (MFC) – Continued**

The allocation of the C&C design targets between their MFC and POR components for each Rate Year, will be determined prior to the beginning of each Rate Year based upon an estimate of full service and POR transportation volumes for such Rate Year, and will be included in the subsequent Rate Year's MFC and POR components. If the Company does not file for new base delivery rates to be effective within 15 days after the end of Rate Year 3, the MFC targets will be set in accordance with the Gas Rate Plan adopted by the Commission in its February 21, 2014 Order in Case 13-G-0031.

For each Rate Year, actual gas in storage working capital costs recovered through the MFC and MRA will be reconciled to actual costs of gas in storage working capital. Any differences will be reflected in the subsequent Rate Year's MFC and MRA gas in storage working capital components.

The Company shall file with the Public Service Commission ("PSC") a monthly statement of the Merchant Function Charge ("MFC Statement"). Each component of the MFC will be shown separately by Service Class (i.e., SC 1, 2 Heating, 2 Non-Heating, 3 and 13). Separate Merchant Function Charges shall be filed for air-conditioning customers served under SC2 Heating and SC3. Each MFC Statement shall be filed with the PSC no later than two working days prior to the effective date of the statement.

(General Information - Continued on Leaf No. 179)

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

(Name of Officer, Title, Address)