



Consolidated Edison Company
of New York, Inc.
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New York NY 10003
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January 29, 2015

Kathleen H. Burgess, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Statement of Revenue Decoupling Mechanism Adjustment No. 18

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. ("Con Edison" or "the Company") is filing with the New York State Public Service Commission (the "Commission") Statement of Revenue Decoupling Mechanism Adjustment No. 18, ("Statement RDM-18") effective February 1, 2015.

Statement of Revenue Decoupling Mechanism Adjustment No. 18
for Service Classification Nos. 2, 3 and 9
Effective February 1, 2015

Explanation of Filing

This filing establishes the Revenue Decoupling Mechanism ("RDM") adjustments, by group, resulting from the variation between Actual and Allowed Delivery Revenues for Rate Year ("RY") 1 as established in Case 13-G-0031¹. Included in these amounts are the reconciliations associated with the "make whole" provision and interim adjustments associated with the months of January and February 2014 that were reflected in the RDM adjustments that went into effect April 2014. In addition, reconciliation amounts associated with Case 09-G-0795² are included in these RDM adjustments.

Rate Year 1 in Case 13-G-0031

Pursuant to the Joint Proposal ("JP") adopted by the Commission in Case 13-G-0031, at the end of each Rate Year, Actual Delivery Revenues for the Rate Year are compared to Allowed Delivery Revenues for each of the groups of firm customers subject to the RDM. To the extent that any variation exists, the excess or shortfall is refunded to or collected from each group's customers over the eleven month period commencing in the second month following the end of each Rate Year. Included in the RY1 variations are the reconciliations of the make whole and interim adjustment dollars related to the months of January and February 2014 that were included in the RDM adjustments effective April 1, 2014 through December 31, 2014.

The make whole provision of the JP states that the Company will recover or refund any revenue under- or over-collections that result from the extension of the suspension period in that case. The RDM adjustments, which went into effect April 2014, included \$15,745,528, excluding interest, related to the

¹ Case 13-G-0031, et al., *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Gas Service, Order Approving Electric, Gas and Steam Rate Plans in Accord With Joint Proposal*, (Issued and Effective February 21, 2014)

² Case 09-G-0795, et al., *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for gas Service, Order Establishing Three-Year Steam and Gas Rate Plans and Determining East River Repowering Project Cost Allocation Methodology*, issued September 22, 2010 ("2010 Gas Rate Order")

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make whole. The make whole reconciliation reflected in this filing is (\$760,511), excluding interest, and represents the difference between \$15,745,528 and the amount actually collected. The resulting rate per therm associated with the make whole reconciliation is included in the total RDM Adjustment for classes subject to the RDM. The Delivery Revenue Surcharges are separately identified on the enclosed Statement of Revenue Decoupling Mechanism Adjustment.

Prior Period Reconciliations related to Case 09-G-0795

This filing also reflects the final reconciliations related to RY3 (12 months ended September 30, 2013) and the October to December 2013 period due to the extension of the Case 09-G-0795 rate plan. In addition, customers converting to firm service under a change in the law, rule or regulation, who were burning No. 4 or No. 6 oil, were exempt from the RDM in Case 09-G-0795 and therefore they are not subject to any adjustments related to these reconciliations.

Summary

The RDM Adjustments, including interest, effective February 1, 2015 represent a net over-collection of \$29,563,148, consisting of over-collections of \$31,530,383 (excluding the make whole reconciliation) related to RY1 in Case 13-G-0031 and \$564,306 applicable to the make whole reconciliation. Also included in the total RDM Adjustments on this statement is an offsetting \$2,531,541 net over-refund related to the reconciliations of RY3 and the October to December 2013 extension period in Case 09-G-0795. The RDM Adjustments are designed to be in effect from February 1, 2015 through December 31, 2015.

Respectfully submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

/S/ William A. Atzl, Jr.
Director
Rate Engineering Department