

August 29, 2003

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
4 Irving Place  
New York, NY 10003**

Hon. Jaclyn Brilling  
Acting Secretary  
Public Service Commission  
State of New York  
Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223

Re: **Cases 00-G-1456 and 97-G-1380**

Dear Acting Secretary Brilling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or "the Company") is filing today with the Public Service Commission ("the Commission") amendments to its Schedule for Gas Service, P.S.C. No. 9 - Gas (the "Schedule"). Appendix A identifies the specific leaves that are being revised. The tariff leaves and statements are issued as of August 29, 2003, to become effective on October 1, 2003, and bear a notation that the leaves and statements are issued in compliance with the Commission's Order dated April 22, 2002 in the subject case numbers.

**Reasons for the Proposed Tariff Changes**

The Commission's Order Concerning Gas Rates, Restructuring, Competition, and Other Issues in Cases 00-G-1456 and 97-G-1380 ("the Order"), issued and effective April 22, 2002, adopted the terms and conditions of the Joint Proposal, dated February 15, 2002, between Con Edison, the Staff of the Commission and other parties to the subject proceedings. The Order implemented a three-year rate and restructuring plan for the period ending September 30, 2004 and represented a comprehensive resolution of issues raised in the Commission's November 3, 1998 Gas Policy Statement in Cases 97-G-1380 and 93-G-0932<sup>1</sup>. In compliance with

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<sup>1</sup>Cases 93-G-0932 and 97-G-1380, Policy Statement Concerning the Future of the Natural Gas Industry in New York State and Order Terminating Capacity Assignment, issued and effective November 3, 1998.

the Order, the Company filed changes to its gas tariff on April 29, 2002 that, among other things, provided for a \$25.0 million

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rate reduction on an annual basis commencing May 1, 2002. The Joint Proposal also provided for other rate design changes that phase-in increases to the monthly minimum charges for firm sales and firm transportation customers over the two rate years ending September 30, 2003 and September 30, 2004.

On November 1, 2002, the monthly minimum charges were increased from \$10.89 to \$11.00, matched by reductions to other rates in each firm service class.<sup>2</sup> In this filing, the Company will increase the monthly minimum charge from \$11.00 to \$11.08 and again match such increase with reductions to others rates in each firm service class.

#### **Summary of Proposed Changes**

Pursuant to the Joint Proposal, the minimum charges for the SC 1, 2 and 3 firm sales rates and the corresponding SC 9 firm transportation rates were increased \$0.08 from \$11.00 to \$11.08 per month. The SC 13 minimum charge and the corresponding SC 9 firm transportation rate, which collects minimum charges over seven months as opposed to 12 months, have been increased from \$18.86 to \$18.99 per month. Offsetting reductions of 0.0027 cent per therm have also been made to the over 3-therm block in SC 1 and to the 4-90 rate blocks in SC 2 and 3 and to the corresponding firm transportation rates in SC 9.

Based on projected firm sales and transportation volumes for the rate year ending September 30, 2004 ("rate year 2004"), overall Company revenues remain relatively unchanged with some customers receiving bill increases while other customers are receiving bill decreases. On an individual service class basis, the change in annual class revenues for rate year 2004 ranges from (0.13%) to 0.45% for SC 3 residential heating and SC 1 residential non-heating, respectively. Appendix B shows the percentage increases and/or decreases, by service classification, for the historical rate year, i.e., the 12 months ended December 31, 2000, for which detailed billing data are available. The effect of the proposed rate design changes on the total monthly bill of an SC 1 customer using 8 therms per month is an increase

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<sup>2</sup>The minimum charges that became effective November 1, 2002 were \$11.00, instead of \$10.99 per month as provided for in the Joint Proposal to recognize its implementation over the 11-month period ending September 30, 2003.

of 0.35% while the effect of the proposed changes on the total monthly bill of an SC 3 customer using 300 therms per month is a decrease of 0.04%.

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**Notices**

In accordance with Chapter VII, Subpart 720-8.1 (a) (3) of the Commission's regulations, the Company requests that newspaper publication be waived in its entirety, since these rate design changes are de minimus and overall gas revenues will be unchanged.

Respectfully submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

BY: \_\_\_\_\_  
Joel H. Charkow

Enclosures

Appendix A

P.S.C NO. 9 - GAS

Leaf 132  
Revision 4  
Superseding Revision 3

Leaf 146  
Revision 4  
Superseding Revision 3

Leaf 152  
Revision 4  
Superseding Revision 3

Leaf No. 228  
Revision 4  
Superseding Revision 3

Leaf 230  
Revision 5  
Superseding Revision 4

Leaf 231  
Revision 4  
Superseding Revision 3

Leaf 240  
Revision 4  
Superseding Revision 3

Leaf 269  
Revision 5  
Superseding Revision 4

Leaf 270  
Revision 4  
Superseding Revision 3

Leaf 271  
Revision 4  
Superseding Revision 3

Leaf 349  
Revision 4  
Superseding Revision 3