

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

January 6, 2005

Honorable Jaclyn A. Brillling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Rates for Gas Special Services

Dear Secretary Brillling:

Enclosed for filing with the Public Service Commission (the "Commission") is a revised Tariff Leaf to Consolidated Edison Company of New York, Inc.'s ("Con Edison" or the "Company") Schedule for Gas Service, P.S.C. No. 9 – Gas.

The specific Leaf being revised is identified below and bears an effective date of April 1, 2005.

P.S.C. No. 9 – Gas

Leaf No. 117 – Revision 3
Superseding Leaf No. 117- Revision 2

Reason for Filing

This filing is being made to conform the Company's Gas Tariff to changes that will be made to the Company's Electric Tariff, provided the Commission approves the Joint Proposal, dated December 2, 2004 ("Electric Proposal"), in Con Edison's electric rate case proceeding, Case No. 04-E-0572.¹ As described in the Electric Proposal (see paragraphs v-vii of Section M.7.b), the following revisions are proposed to be made to the cost elements associated with charges billed customers for Special Services furnished by the Company: (1) an increase in the stores handling rate from 12% to 14.5% to reflect current costs; and (2) a decrease in the overhead rate for engineering, drafting, administration, and inspection to 4.0% when the labor cost for engineering or drafting services is separately stated. In addition, the Proposal clarifies that the charge for Special Services is subject to the percentage Increase in Rates and Charges associated with taxes imposed on the Company.

¹ Case No. 04-E-0572, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc.

In this instant filing, the Company is proposing to make the same changes to its Gas Tariff as described above for its Electric Tariff. The Company is requesting that the effective date of the proposed Gas Tariff changes coincide with the effective date of the Electric Tariff changes that will be filed to take effect April 1, 2005 following Commission approval of the Electric Proposal. By incorporating these changes in the Company's Electric and Gas Tariffs on the same date, the Company will have consistent overhead rates applied to electric and gas Special Service jobs and uniform stores handling rates applicable to all classes of materials used in such jobs. Examples of Special Services jobs include: changing the point of service termination or location of a service pipe, relocating Company street facilities to accommodate Customers, and removing and relocating Company facilities when a street is to become private property.

As permitted by Section I.1 of the Joint Proposal, dated May 28, 2004, in Gas Case 03-G-1671,² the Company is permitted to propose changes to the rates for Special Services during the term of the Company's current rate plan since the effect of such changes on gas revenues is expected to be de minimis.

Notices

Enclosed is a proposed form of Notice of Proposed Rule Making for publication in the State Register pursuant to the State Administrative Procedure Act.

Respectfully submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By: _____

Joel H. Charkow
Director, Rate Engineering

² Case 03-G-1671- 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.