



Consolidated Edison Company of NY, Inc.
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June 16, 2010

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

**RE: Case 09-M-0311, Temporary Annual Assessment Pursuant to Public Service
Law §18-a(6)**

Dear Secretary Brilling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") herein submits for filing with the New York Public Service Commission (the "Commission") a Statement of Temporary State Assessment Surcharge, TSAS - Statement No. 2, to the Company's Schedule for Gas Service, P.S.C. No. 9 – Gas ("Gas Tariff"), applicable to its customers in the City of New York and the County of Westchester.

Reason for Filing

This Statement is being filed pursuant to the Commission's June 19, 2009 Order in the above-referenced case ("June 2009 Order") and the tariff provision entitled "Temporary State Assessment Surcharge ("TSAS") Under Section 18-a of the Public Service Law," in General Information Section IX (17), of the Gas Tariff. The June 2009 Order and this tariff provision require that the Company file a Statement no less than fifteen days before the start of the period that the 18-a surcharges are to be in effect. In accordance with this tariff provision, the surcharges reflected on the revised statement are designed to collect Public Service Law §18-a amounts above the amount in base rates for the State Fiscal Year 2010-2011 (April through March) and include an adjustment for uncollectible expenses and working capital costs. The surcharges also reflect the reconciliation of the State Fiscal Year 2009-2010 Public Service Law §18-a amounts to be recovered with the actual amounts collected under the surcharges that were in effect from July 1, 2009 through June 30, 2010. As also permitted by the June 2009 Order and the Gas Tariff, the Company is maintaining the prior year's unit surcharge in SC 13

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(and its corresponding unit surcharge in SC9), since the calculation of the surcharge for the current State Fiscal Year would have resulted in a surcharge below the level of the prior year's surcharge applicable to this class.

The surcharge amount for the current 2010-2011 State Fiscal Year was allocated to each customer class based on 2009 class revenues inclusive of gross receipts taxes. Revenues include both delivery and supply charges for all service classes (including estimated supply charges for retail access classes¹).

Reconciliation amounts for the State Fiscal Year 2009-2010 were determined by allocating the total of the 2009-2010 actual Public Service Law §18-a payments made by the Company, and working capital and uncollectible expense adjustments based on the actual payments, to each customer class based on 2008 class revenues inclusive of gross receipts taxes and estimated ESCO revenues. These amounts were compared with the actual class-specific amounts collected under the surcharges that were in effect from July 1, 2009 through June 30, 2010². Any differences have been added to the 2010-2011 State Fiscal Year amounts to determine total amounts recoverable from each customer class. Surcharge amounts will be collected from each Con Edison class on a per therm basis.

The Statement filed herewith reflects the unit amounts to be collected over the 12 months commencing July 1, 2010.

Very truly yours,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Christine Colletti
Director, Rate Engineering

¹ As required by the June 2009 Order (p.30), utilities are required to submit estimates of ESCO commodity revenues used in determining the amount to be collected through the surcharges. The company has estimated ESCO commodity revenue, including gross taxes, to be \$456,626,495 for calendar year 2009.

² June 2010 collections have been estimated and will be trued up in the June 2011 reconciliation of the Temporary State Assessment Surcharge.