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PSC NO: 10 – Electricity Consolidated Edison Company of New York, Inc. Initial Effective Date: 11/01/2011

266 Leaf: Revision: Superseding Revision:

GENERAL RULES

24. Service Classification Riders (Available on Request) - Continued

RIDER S - COMMERCIAL SYSTEM RELIEF PROGRAM - Continued

H. Measurement, Penalties and Adjustment for Non-Performance - Continued

- 2. Penalties
 - a. A Customer or Aggregator will be subject to a Penalty for the first month in which the Performance Factor is less than 1.0. The Penalty will be equal to twice the Reservation Payment rate per kW times the difference of one less the Performance Factor. In addition, if the Performance Factor prior to the current month is less than 1.0 and the Performance Factor for the current month is lower than that Performance Factor, the Customer or Aggregator will be subject to a Penalty for the month in which the Performance Factor is further reduced. The Penalty for such month will be equal to twice the Reservation Payment Rate per kW times the difference between the prior Performance Factor and the new (lower) Performance Factor.

After Summer 2011, the Company will refund, without interest, penalties paid by a Customer or Aggregator for 2010 CSRP performance if all of the following conditions are met: (i) the Customer or Aggregator was enrolled in the 2011 CSRP; (ii) the kW of contracted Load Relief for the 2011 CSRP was equal to or greater than the kW enrolled for the 2010 CSRP; and (iii) the Performance Factor for each month during the 2011 CSRP was not less than 1.

- b. If a Customer or Aggregator fails to arrange for the furnishing and installation of the metering and telecommunications service for an account, as required under section E, a Penalty will be assessed for the kW enrolled for that account. Such Penalty, assessed no more than once per year, will be equal to twice the Reservation Payment rate per kW times the kW of contracted Load Relief.
- 3. Performance Adjustment

A Performance Adjustment will be applied in calculating the Performance Factor if the Customer or Aggregator requests in writing to provide Performance Adjusted kW and provides Security, if required, pursuant to section J below.

Once a Performance Adjustment is in effect, a Customer or Aggregator may request subsequent increases to the Performance Adjusted kW if the updated kW level meets the requirements for Performance Adjusted kW and any additional Security, if required, is provided. No more than one request will be accepted per month to change to the Performance Adjusted kW.

The Performance Adjustment will become effective commencing the first day of the first calendar month that follows the Company's receipt of the request to initiate or update the Performance Adjusted kW.

Issued by: Robert N. Hoglund, Senior Vice President & Chief Financial Officer, New York, NY