

PSC NO: 4 - Steam  
Consolidated Edison Company of New York, Inc.  
Initial Effective Date: 10/01/2012  
Issued in compliance with order in Case 09-S-0794 dated September 22, 2010

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Revision: 3  
Superseding Revision: 2

## GENERAL INFORMATION – Continued

### 5. Other Charges and Adjustments

#### 5.1 Rate Adjustment Clause

- a. Pursuant to the Order of the Public Service Commission (the “Commission”), dated June 25, 2009, in Case 09-M-0114, \$6 million per year of the Company’s revenue requirement shall be recovered pursuant to a rate adjustment clause mechanism, subject to refund pending the Commission’s audit and review of the Company’s contract-related capital, O&M, and related expenditures as set forth in the February 12, 2009 Order in Case 09-M-0114. The portion of the rates and charges shown in each Service Classification that comprise this rate adjustment clause mechanism will be shown on the Statement of Rate Adjustment Clause filed apart from this Rate Schedule. This portion of the Company’s revenue requirement will continue to be recovered in this manner until such time as the Commission determines otherwise.
- b. Pursuant to the Commission’s Order, dated September 22, 2010, in Case 09-S-0794, \$31.7 million of the revenue requirement for the rate year ending September 30, 2013, is being collected through class-specific temporary surcharges, which terminate September 30, 2013. The portion of the Company’s rates and charges included in the rates shown in each Service Classification that comprises the temporary surcharges for the rate year ending September 30, 2013, is shown on the Statement of Temporary Surcharges filed apart from this Rate Schedule.

#### 5.2 Temporary State Assessment Surcharge

As directed in the Public Service Commission’s Order, dated June 19, 2009, in Case 09-M-0311, the Company will implement surcharges for each 12-month period commencing July to collect any Public Service Law Section 18-a assessment for the State fiscal year that commenced April of that year above the amount reflected in base rates, plus uncollectible expenses at the rate reflected in base rates and working capital costs at the Company’s pre-tax rate of return. To the extent the amount of the surcharge decreases in any year due to a fluctuation in annual intrastate gross operating revenues, the Company will maintain the prior year’s surcharge to improve its cash flow position without increasing Customers’ bills.

Any difference between Section 18-a amounts to be recovered and actual amounts collected, excluding gross receipts taxes, will be reflected in a subsequent period surcharge; provided, however, that any reconciliation amount required to be collected after the last year that the surcharge is in effect, will be deferred, plus working capital costs, for future disposition.

The surcharge will be allocated to each steam Service Classification (“SC”) based on the class contribution to the Company’s total steam revenues, including fuel adjustments and gross receipts taxes, and will be collected on a monthly basis as follows: (a) SCs 1, 2, and 3 per Mlb; (b) SC 4 per Mlb/hour of Contract Demand; and (c) SC 5 per unit in effect under the Customer’s otherwise applicable SC.

The unit amount to be collected per SC will be shown on the Statement of Temporary State Assessment Surcharge (the “Statement”) that is filed with the Public Service Commission apart from this Rate Schedule. Unless otherwise directed by the Commission, any change to the unit amounts to be collected will be filed with the Commission on a revised Statement no less than 15 days prior to the Statement’s effective date.

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