

PSC NO: 9 GAS

LEAF: 159

COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

REVISION: 9

INITIAL EFFECTIVE DATE: 12/06/09

SUPERSEDING REVISION: 8

STAMPS:

GENERAL INFORMATION - Continued**VII. Gas Cost Factor and Monthly Rate Adjustment - Continued****(A) Gas Cost Factor Components - Continued****2. Annual Surcharge or Refund Adjustment- Continued**

- (b) By taking the cost of gas derived in paragraph (a) above adjusted to reflect a level of purchased gas commensurate with actual sales and the allowed Factor of Adjustment as follows:
- (i) **Surcharge:** For each twelve-month period ended August 31, if the actual line loss percentage is less than the allowed line loss percentage, the cost of gas will be adjusted by a ratio of the Factor of Adjustment and the higher of (a) a factor of adjustment based on the actual line loss percentage, and (b) a factor of adjustment based on the allowed line loss percentage minus one percent.
 - (ii) **Refund:** For each twelve-month period ended August 31, if the actual line loss percentage is greater than the allowed line loss percentage, the cost of gas will be adjusted by a ratio of the Factor of Adjustment and the lower of (a) a factor of adjustment based on the actual line loss percentage, and (b) a factor of adjustment based on the allowed line loss percentage plus one percent.
 - (iii) In no event shall the Company retain or bear more than \$6.25 million associated with any twelve-month period ended August 31, resulting from the line loss differentials computed in (i) and (ii) above.
- (c) By taking the adjusted cost of gas derived in paragraph (b) above reduced by the following to determine the actual Gas Cost Factor under- or over- collections:
- (i) the Gas Cost Factor revenues adjusted to eliminate the Increase in Rates Applicable in Municipality Where Service is Supplied as defined in General Information Section VIII and the effect of the adjustments to the Average Cost of Gas set forth in this Section (A); and
 - (ii) the previous year's over-collection including interest, to the extent not refunded, or adding the previous year's under-collection including interest, to the extent not recovered;

(General Information - Continued on Leaf No. 160)**Issued By: Robert N. Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003**

(Name of Officer, Title, Address)