

**PSC NO: 9 GAS****COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.****INITIAL EFFECTIVE DATE: 12/06/09****STAMPS:****LEAF: 158****REVISION: 5****SUPERSEDING REVISION: 4****GENERAL INFORMATION - Continued****VII. Gas Cost Factor and Monthly Rate Adjustment - Continued****(A) Gas Cost Factor Components - Continued****2. Annual Surcharge or Refund Adjustment:**

Actual gas cost recoveries shall be reconciled with actual gas expenses each year, and a surcharge or refund to recover Gas Cost Factor under-recoveries or refund Gas Cost Factor over-collections shall be computed as follows:

- (a) By taking the cost of gas adjusted for the following:
  - (i) supplier refunds, if any, being credited to firm customers pursuant to General Rule VII(A) 6. - Gas Supplier Refunds,
  - (ii) firm customers' share of net revenues derived from the use of interstate pipeline capacity for capacity releases, bundled sales and other off-system transactions,
  - (iii) take-or-pay charges billed to the Company by its gas suppliers set forth in General Information Sections VII (A) 3 and IX.2, including gas pipeline transition costs set forth in General Information Section VII (A)4,
  - (iv) Winter Bundled Sales Service revenues from SC No. 20 Marketers,
  - (v) firm customers' allocated share of balancing services revenues from SC No. 9 Rates (H) and (I), SC No. 12, and SC No. 20 "Charges" (A) - (C) and (F) and power generation,
  - (vi) Transition Surcharge for Capacity Cost revenues collected from firm sales and transportation customers as explained in General Information Section IX(4),
  - (vii) liquefied propane consumed, as recorded on the Company's books during the determination period, and
  - (viii) the costs recorded during the determination period assignable to gas sold to Customers not subject to the Gas Cost Factor

**(General Information - Continued on Leaf No. 159)****Issued By: Robert N. Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003****(Name of Officer, Title, Address)**