

PSC NO: 4 - Steam
Consolidated Edison Company of New York, Inc.
Initial Effective Date: 01/01/2009

Leaf: 48
Revision: 0
Superseding Revision:

GENERAL INFORMATION - Continued

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

RIDER E NEGOTIATED STEAM FUEL COST (Applicable to Service Classification Nos. 2 and 3)

Service is being offered under this Rider to provide a Customer with the option to obtain a fixed price for a portion of the steam fuel costs for which the Customer is responsible. Such fixed price will help reduce volatility in the Customer's fuel costs but can be lower or higher than the actual monthly market price.

Prior to the winter heating and summer cooling periods, the Company will establish an "open season" during which Customers will have a one-time option to fix the steam fuel cost for a portion of their requirements. Customers will be advised in advance of the "open season" of the period for which the fixed price steam fuel cost is being offered ("Fixed Cost Period") and the maximum volume of steam for which the Customer may authorize the Company to obtain a fixed fuel cost. Any Customer interested in participating will notify the Company by returning a signed base agreement that stipulates the monthly volume of steam for which the Customer authorizes the Company to obtain a fixed fuel cost on the Customer's behalf and the method for confirming acceptance of the fixed cost (e.g., fax or e-mail). The Company will then notify all Customers that have executed base agreements with the Company of the fixed cost that has been established; the types and quantities of fuel, if any, that the Company will purchase on behalf of each Customer; the market price indices to be applied in the event of a credit for unused fuel (as described below); and the time frame within which the Customer may accept the Company's offer to provide steam at that cost for the volume stated in the Agreement. To accept the Company's offer, a Customer must notify the Company pursuant to the method established under its base agreement within the time frame specified by the Company.

A Customer taking service under this Rider will pay the fixed cost for fuel, in lieu of the average cost of fuel, for the agreed-upon volume of steam. Such fixed price will include all fuel related costs (e.g., including storage and handling) and transaction costs. The Customer will pay all rates and charges applicable under the Customer's Service Classification exclusive of the Fuel Adjustment but inclusive of (1) the Annual Adjustment that is part of the Monthly Adjustment component of the Fuel Adjustment, (2) the New York City sewer use charges that are contained in the Special Monthly Adjustment component of the Fuel Adjustment, and (3) the difference between the agreed-upon cost and the base cost of fuel, which difference may be a credit or a debit.

Any steam usage in excess of the agreed upon volume will be served under the rates and charges of the Customer's Service Classification, inclusive of the Fuel Adjustment as described in General Information Section 8. In cases where the Company actually purchases fuel on behalf of the Customer and the Customer uses less than the agreed upon volume of steam, the Customer will receive a credit for fuel associated with such lesser amount equal to the lower of the fuel cost incurred by the Company when the fuel was purchased or the market value of the unused fuel.