

PSC NO: 9 GAS

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

INITIAL EFFECTIVE DATE: October 1, 2004

STAMPS: Issued in compliance with order in Case 03-G-1671 dated September 27, 2004

LEAF: 164

REVISION: 7

SUPERSEDING REVISION: 5

GENERAL INFORMATION - Continued**VII. Gas Cost Factor and Monthly Rate Adjustment – Continued****(B) Monthly Rate Adjustment Components****1. Non-Firm Revenue Credit**

Customers receiving firm sales service under SC Nos. 1, 2, 3, and 13 ("Firm Sales Customers") and Customers receiving firm transportation service under Rate A of SC No. 9 ("Firm Transportation Customers") shall be eligible for a monthly Non-Firm Revenue Credit expressed on a cents per therm basis.

For Firm Sales Customers, the Non-Firm Revenue Credit will be applied to the Monthly Rate Adjustment applicable to SC Nos. 1, 2, 3 and 13. For Firm Transportation Customers, the Non-Firm Revenue Credit will be applied to the Monthly Rate Adjustment applicable to SC No. 9. The Non-Firm Revenue Credit will be revised monthly and applied as a credit to the applicable Monthly Rate Adjustment effective on the first calendar day of each month.

Firm Customers' share of non-firm revenues (excluding non-firm revenues deferred for future customer benefit as explained below), shall be credited to Firm Sales and Firm Transportation Customers through the Non-Firm Revenue Credit and as a reduction to the Average Cost of Gas in General Information Section VII (A)1.

Firm Customers' share of Non-Firm Revenues include the following:

- (a) Net revenues derived from use of interstate pipeline capacity for or by Customers taking service under SC No. 12 (Rate 2) and interruptible or off-peak firm service provided under negotiated bypass SC No.9 Rate D(1);
- (b) net revenues derived from the use of interstate pipeline capacity for capacity releases, SC No. 19, bundled sales and other off-system transactions (e.g., gas supplied to the Company's steam and steam-electric units);
- (c) net revenues derived from balancing services under SC No. 9 "Rates" (H) and (I), SC No. 12, and SC No. 20 "Charges" (A)-(C) and (F) and power generation;

(General Information - Continued on Leaf No. 165)**Issued By: ~~Joan S. Freilich, Executive Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003~~**

(Name of Officer, Title, Address)