

PSC NO: 9 GAS
COMPANY: 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: 183.3
REVISION: 1
SUPERSEDING REVISION:

GENERAL INFORMATION - Continued

IX. Special Adjustments - Continued

7. Transition Adjustment for Competitive Services

In accordance with the Joint Proposal, all Firm Sales and Firm Transportation Customers will be subject to a surcharge to recover Competitive Retail Choice Credits ("CRCC"), Consolidated Billing Credits and migration incentives that were not fully recovered through the CRCC funding sources as described in SC 9. The Company will recover such deficient amounts through the Monthly Rate Adjustment ("MRA") set forth in General Information Section VII (B) over a period not to exceed twelve months, effective the second succeeding month from the month in which the deficiency occurred.

8. Property Tax Reconciliation Surcharge

In accordance with the Joint Proposal, all Firm Sales and Firm Transportation Customers will be subject to a surcharge if the deferred property tax expense (excluding the effect of property tax refunds or credits) as described in the Proposal exceeds \$10 million after any Rate Year beginning with the Rate Year commencing October 1, 2006. Such excess property tax expenses will be recovered through the MRAs for both firm sales and firm transportation customers during the following Rate Year.

9. Low Income Reconciliation Adjustment

In accordance with the Joint Proposal, all Firm Sales and Firm Transportation Customers will be subject to a low income reconciliation adjustment for the twelve-month period commencing October 1, 2007 for any difference remaining between \$4.8 million and the aggregate level of low income reductions provided over the three prior Rate Years ending September 30, 2007. The adjustment shall be credited or surcharged to SC 1, 2, 3 and 13 firm customers and corresponding SC 9 firm transportation customers, including low income customers, as an adjustment to the MRA.

(General Information - Continued on Leaf No. 184)

Issued By: Joan S. Freilich, Executive Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003
(Name of Officer, Title, Address)