

PSC NO: 9 GAS
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
INITIAL EFFECTIVE DATE: December 21, 2003

LEAF: 164
REVISION: 6
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.

For the Rate Year commencing October 1, 2004 and ending September 30, 2005, a base rate revenue imputation of \$15,000,000 of the non-firm revenues in (a) through (e) below shall be in effect. Any variance between total non-firm revenues during the Rate Year and the \$15,000,000 revenue imputation shall be shared 75 percent and 25 percent between Firm Customers and the Company, respectively.

Firm Customers' share of the variance as determined above shall be credited (or surcharged if negative) to Firm Sales and Firm Transportation Customers through the Non-Firm Revenue Credit and as a reduction (or increase) to the Average Cost of Gas in General Information Section VII (A)1.

Non-firm revenues include the following:

- (a) the fixed pipeline demand charges collected from 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)

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(Name of Officer, Title, Address)