

..DID: 6209**..TXT: PSC NO: 9 GAS****LEAF: 163****COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 0****INITIAL EFFECTIVE DATE: 03/01/99 SUPERSEDING REVISION:****STAMPS:****Cancelled by 1 Rev. Leaf No. 163 Effective 08/01/2000****RECEIVED: 12/08/98 STATUS: Cancelled EFFECTIVE: 03/01/99****GENERAL INFORMATION - Continued****VII. Gas Adjustment Clause - Continued****4. Adjustments to the Gas Adjustments - Continued****(D) Adjustment for Gas Supplier Refunds:**

In the event that the rates and charges of the Company's gas supplier or suppliers are retroactively reduced and the Company receives refunds of the excess charges paid to the supplier or suppliers, the Company shall pass on said refunds to its firm sales service Customers by crediting the gas adjustment with the total applicable refund amounts, including gas supplier and Company interest.

Firm transportation customers who take an assignment of Con Edison's upstream capacity assets shall receive the portion of any refunds associated with those upstream capacity assets as a credit to the Service Classification No. 9 adjustment to base rates. The refund credits shall be computed as follows:

The Company shall commence crediting its Firm Gas Sales Customers, and its Firm Transportation Customers who take an assignment of Con Edison's upstream capacity, within six months of the date of receipt of each refund by a credit to the applicable monthly adjustment over a 12-month period. Any refunds received by the Company from its suppliers may be combined for purposes of computing the refund credit. The specific level of refund credit will be computed by dividing the total applicable refund amount, including gas supplier and Company interest, by the estimated firm sales therms and firm transportation therms for the twelve months of the refund period. The Company shall determine the total amount refunded to its Customers on the basis of the actual ten months' sales and transportation figures. Any balance of the refund remaining after the ten months' actual sales and transportation and the eleventh month estimated sales and transportation will be divided by an estimate of the twelfth month sales or transportation and will be reflected in the applicable monthly adjustment for the twelfth month.

(General Information - Continued on Leaf No. 164.0)**Issued By: Joan S. Freilich, Executive Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003****(Name of Officer, Title, Address)**