

PSC NO: 4 - Steam  
Consolidated Edison Company of New York, Inc.  
Initial Effective Date: 12/23/2022

Leaf: 42  
Revision: 11  
Superseding Revision: 10

## GENERAL INFORMATION – Continued

### 5. Other Charges and Adjustments

#### 5.1 Tax Sur-credit

Pursuant to the Public Service Commission's Order, dated August 9, 2018 in Case 17-M-0815, the Company will implement sur-credits related to the tax savings from the Tax Cuts and Jobs Act of 2017 ("Tax Sur-credit") commencing October 1, 2018. The following tax saving elements are included in the Company's steam Tax Sur-credit calculation: (1) the annual ongoing tax savings effective October 1, 2018, (2) an amortization of the January 1, 2018 through September 30, 2018 tax savings over a three-year period unless a cash flow or credit quality concern is demonstrated, and (3) an amortization of the protected and unprotected excess accumulated deferred federal income tax reserve balances over the life of the assets.

Any difference between the Tax Sur-credit amounts to be credited and actual amounts credited, excluding gross receipts taxes, will be reflected in a subsequent period sur-credit; provided, however, that any reconciliation amount required to be credited or collected after the last year that the surcharge is in effect, will be reconciled in the next rate case.

The Tax Sur-credits will be allocated to each steam Service Classification ("SC") based on the class contribution to the Company's steam Pure Base Revenue, and will be collected on a monthly basis per Mlb. The Tax Sur-credit applicable to an SC 5 Customer will be under such Customer's otherwise applicable SC.

The unit amount to be credited per SC will be shown on the Statement of Tax Sur-credit (the "Statement") that is filed with the Public Service Commission apart from this Rate Schedule. The Company will implement sur-credits for the 12-month period commencing October 1, 2018 to September 30, 2019. This will continue for each subsequent 12-month period effective October 1 until October 31, 2023, after which the net benefits of the Tax Sur-credit will be fully reflected in rates. Unless otherwise directed by the Commission, any change to the unit amounts to be collected will be filed with the Commission on a revised Statement no less than five days prior to the Statement's effective date.

#### 5.2 Revenue Decoupling Mechanism ("RDM") Adjustment

Pure Base Revenue (as defined in General Information Section 2) is subject to reconciliation through an RDM Adjustment. The RDM is applicable to Pure Base Revenue received from Customers in SCs 1, 2, 3, and 4. The RDM is not applicable to revenues received from SC 5 Customers.

##### 5.2.1 Mechanism

The Company will reconcile, for the applicable SCs in aggregate, the difference between actual Pure Base Revenue and Allowed Pure Base Revenue, as follows:

5.2.1.1 Every month, the Company will reconcile, in aggregate, the difference between actual Pure Base Revenue and Allowed Pure Base Revenue under the applicable SCs.

Except as provided below, every 12 months, the cumulative difference will be charged or credited to Customers in the applicable SCs, with interest (calculated at the Other Customer Capital Rate), over the 12-month period that commences two months later. The difference for the 12-month period ending October will be collected/refunded over the 12 months commencing December.