

PSC NO: 4 - Steam
Consolidated Edison Company of New York, Inc.
Initial Effective Date: 01/01/2017

Leaf: 96
Revision: 2
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 4 - Continued
BACK-UP/SUPPLEMENTARY SERVICE

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued
Contract Demand

1. A Customer applying for service under this Service Classification for the first time is required to specify in its request for service hereunder an initial contract demand (expressed in Mlb per hour), set as the maximum potential demand during the months of December through March, on the basis of a reasonable estimate provided by a professional engineer retained by the Customer. The estimate is subject to the Company's approval.

The Company will set the contract demand if the Customer does not specify a contract demand in its request for service or within 30 days of submitting such request, or within 30 days of the Company becoming aware that the Customer should be billed under this Service Classification. The Company will set the contract demand at the maximum potential demand during the months of December through March. The contract demand will be reasonably determined using information available to the Company, such as an engineering analysis performed by the Company of the Customer's steam-consuming equipment and diversity of load, premises to be served, information supplied by the Customer at the Company's request, and the Customer's historical usage over the past 36 months, if available.

2. The contract demand that is set by the Customer or the Company under this Service Classification shall remain in effect unless and until the Customer or the Company revises the contract demand, as described hereunder, or the maximum demand exceeds the contract demand by more than two percent within the months of December through March, inclusive. If the maximum demand exceeds the contract demand by more than two percent for any month within the months of December through March, such higher maximum demand (a) shall be considered to be a Customer-set contract demand; and (b) will become the Customer-set contract demand for that month and thereafter unless and until exceeded by a still higher maximum demand, which in turn shall likewise be subject to the foregoing conditions.

No surcharge will be assessed the first time that the monthly maximum demand on an account exceeds the initially-set contract demand (that is, the contract demand established at the Customer's initiation of service) by more than two percent.

3. If the monthly maximum demand within the months of December through March, inclusive, exceeds the currently effective contract demand by more than two percent, a surcharge equal to the demand registered in excess of the current contract demand multiplied by the contract demand rate multiplied by the Multiplier will apply to the monthly bill. The Multiplier will be the greater of 6 or the number of months that the current contract demand was in effect prior to its exceedance; provided, however, that the number shall not be more than 24.

The surcharges shall not be applicable to any portion of the increased contract demand attributable to a colder-than-design weather variable. The "weather variable" consists of the weighted average of the temperature at the peak hour (80% weighting) and the average temperature over the preceding 24 hours (20% weighting). "Design weather" is defined as a weather variable of 5 degrees F. If a Customer's peak demand for a month exceeds the contract demand and the weather variable for the customer's peak hour is colder than the design weather, the Company will apply a factor based on the slope of the Company's steam system's design demand curve for that winter period to determine what the customer's peak demand would have been for the design weather. The surcharge shall apply only for that amount, if any, by which the design weather-adjusted Customer peak demand exceeds the contract demand.

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