PSC NO: 9 GAS LEAF: 178 COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC REVISION: 17 INITIAL EFFECTIVE DATE: 02/01/17 SUPERSEDING REVISION: 16 STAMPS: Issued in Compliance with Order in Case 16-G-0061 dated January 25, 2017

GENERAL INFORMATION - Continued

IX. Special Adjustments - Continued

6. Load Following Charge- Continued

(a) Transportation Surcharge – Continued

September 16, 2011 in Case 10-G-0467, et al. This component for each of calendar years 2012, 2013 and 2014 was calculated by (1) multiplying the under-delivery of firm transportation therms attributable to the difference between 1.0133 (the factor of adjustment approved in Case 09-G-0795) and 1.0297 for the twelve month period ending each August 31 of the prior calendar year ("the annual period"), by the average commodity cost of gas per therm excluding the effect of the underdeliveries for the annual period, (2) dividing the result in (1) by the estimated firm transportation therms for the twelve months commencing the following January 1, and (3) calculating monthly interest on the estimated unrecovered monthly declining balance and dividing the annual total of the estimated monthly interest by the estimated total firm sales and firm transportation therms for the calendar year. The sum of the unit amounts calculated in (2) and (3) comprise this component of the transportation surcharge. The surcharge for calendar year 2015 will be calculated in a similar manner based on the under-delivery of firm transportation therms during the period September 2013 through February 2014. The beginning unrecovered balance is the amount to be credited to firm sales customers through the GCF Annual Surcharge or Refund, and is based upon the total estimated amount to be collected from both firm sales and firm transportation customers during the calendar vear.

(b) For the period January 1, 2013 through December 31, 2015 the transportation surcharge shall also include \$6.695 million annually to recover transportation customer under-deliveries for the period September 2005 through August 2010 pursuant to the Public Service Commission Order issued March 15, 2012, in Case 10-G-0643.

Transportation surcharge recoveries shall be compared with the transportation surcharge target for each calendar year and any over- or under-recovery shall be included in the Load Following Charge for the twelve-month period commencing the following January 1.

The Load Following Charge for each month shall be shown separately on the Statement of Monthly Rate Adjustment applicable to SC Nos. 1, 2, 3, 13, and to Firm Transportation customers taking service under SC No. 9 filed with the Public Service Commission for that month.

7. Transition Adjustment for Competitive Services

The Transition Adjustment for Competitive Services ("TACS") is a per therm adjustment. Firm Sales customers taking service under Service Classification Nos. 1, 2, 3 and 13 and Riders D, G, H, J and I of this Rate Schedule and Firm Transportation customers taking service under SC 9 will be assessed a TACS as set forth in the Monthly Rate Adjustment (MRA). The TACS will include (1) lost revenues attributable to the Billing and Payment Processing Charge (BPP); and (2) any variation between the level of Credit and Collections/theft ("C&C") revenues applicable to POR customers and included in the POR discount rate, and actual C&C revenues received thorough the POR discount rate ("C&C Variation"). The lost revenue attributable to the BPP equals the total BPP charges avoided by retail choice customers receiving an ESCO-issued consolidated bill.

(General Information - Continued on Leaf No. 178.1) Issued By: <u>Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003</u>

(Name of Officer, Title, Address)