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of New York, Inc.
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December 3, 2018

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
3 Empire State Plaza, 19th Floor
Albany, New York 12223

RE: Case 16-G-0061- Con Edison's Gas Rate Case-RY 3, and Case 14-M-0565 – Affordability for Low Income Customers

Dear Secretary Burgess:

Enclosed for filing with the Public Service Commission (the "Commission") are revised schedule leaves issued by Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") to the Company's Schedule for Gas Service, P.S.C. No. 9 - Gas ("Gas Tariff"), applicable to its customers in the City of New York and the County of Westchester.

The Company's schedule leaves are issued with an effective date of January 1, 2019. The specific leaves being revised are identified in Appendix A.

Reason for Filing

The Commission's Order Approving Electric and Gas Rate Plans, issued and effective January 25, 2017, in Cases 16-E-0060, 16-G-0061, and 16-E-0196 (the "Order") adopted the Joint Proposal ("JP") set forth in Appendix A to the Order.

The Order provides for a three-year gas rate plan in which Rate Years ("RY") 1, 2 and 3 are the twelve-month periods commencing January 1, 2017, January 1, 2018 and January 1, 2019, respectively. Under the rate plan, the gas delivery service revenue requirement is increased by a net of $35.483 million (which includes gross receipts tax) in RY1, reflecting a decrease of $5.373 million offset by a $40.856 million increase due to the expiration of the temporary credit in effect during the 2016 rate year. The gas delivery service revenue requirement is increased by $92.337 million in RY2 and $89.453 million in RY3, respectively.

The tariff amendments being filed herewith include the rates for the third year of the Gas Rate Plan in compliance with the January 2017 Order.

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Revenue Allocation and Rate Design

Gas Revenue Allocation

The revenue allocation for firm customers is described in Appendix 21 of the JP. Table 1 of Appendix 21 summarizes the changes in delivery revenues by Service Classification ("SC"), including the components of the revenue changes.

The percentage change in revenues and bill changes for the firm service classes are shown in Appendix B. These percentages reflect the overall impacts (i.e., including the increase in the MRA for the estimated recovery during RY3 of payments made to pipeline companies for gate station work on pipeline-owned facilities).

Rate Design

FIRM:

Appendix 21 of the JP describes the rate design process for firm customers, for which major items are summarized below:

- The minimum monthly charge for SC 1 and corresponding SC 9 customers was set at $23.70. Note that the minimum monthly charges in all three Rate Years for all other firm service classes were not changed.

- The monthly minimum charge for Rider J Rate I, applicable to SC 1 and its corresponding SC 9 rate, was set at $24.00.

- Competitive delivery rates (i.e., the billing and payment processing charge, which remains unchanged from RY2, and the merchant function charge ("MFC"), including the credit and collection-related component of the Purchase of Receivables Discount rate) were set to reflect the RY3 revenue requirement.

NON-FIRM:

- The Off-Peak Firm Rates for contracts entered into during RY3 is set at 8.75 cents per therm, for one, two and three year contracts until the contracts expire. An existing customer will be charged the new rate after the expiration of its current contract. The existing 1.0 cent per therm discount for monthly usage greater than 500,000 therms will remain in effect.

Other Tariff Changes

- The factor of adjustment ("FOA") has been updated for RY3 as described in General Information Section VII.(A)(d). The FOA for RY3 is 1.0226.

- Pursuant to the Commission's Order Approving Implementation Plans with Modifications, issued and effective February 17, 2017, in Case 14-M-0565, the Company is making the annual update to the tiered discount levels for Customers enrolled in the low-income program

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under Rider E. The Company is also making a clarifying edit to Leaf 130 to remove the word, "standard" to reflect that eligibility for Tier 1 of the Low Income Program is not limited to the Standard HEAP grant (i.e., Emergency HEAP grants qualify).[1]

- A housekeeping change is being made to leaf 270 to eliminate Rider D under rate (A)(5) since the rate for Rider D is shown under rate (A)(5a).

Conclusion and Notice

As directed by Ordering Clause 5 of the Order, the Company is filing its tariff amendments on not less than 30 days' notice, to take effect on a temporary basis, effective January 1, 2019.

As directed by Ordering Clause 4, the Company is serving copies of this filing electronically upon all parties to this proceeding.

Pursuant to Ordering Clause 6, the Company will provide publish notice of the tariff amendments by means of newspaper publication once a week for four consecutive weeks prior to their effective date.

Sincerely,

/s/ William A. Atzl, Jr.
Director
Rate Engineering Department

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[1] These changes are further described in the Company's Annual Low Income Program Update Report filed on November 30, 2018, in Case 14-M-0565.

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Appendix A

PSC No. 9 - Gas: List of Tariff Changes

Leaf No.	Revision No.	Superseding Rev. No.
130	4	3
131	4	3
152	22	21
154.6	19	18
154.8	19	18
154.9	23	22
154.18	21	20
154.24	21	20
154.25	18	17
157.1	11	10
228	27	26
230	23	22
234	17	16
240	27	26
243	19	18
269	24	23
270	23	22
271	23	22
349	26	25

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CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Estimated Effect on Gas Customers' Bills and Company Revenues Resulting from Proposed Gas Rates
Based on Forecasted Sales and Revenues for the Twelve Months Ending December 31, 2019 for Service Classification Nos. 1, 2, 3, 13 and 14
and the Corresponding SC 9 Firm Transportation Sub-classes

Firm Service Classification (Sales and Transportation)	Annual Therms	Total Annual Revenues at Current 01/01/18 Rates (b) (c)	Total Annual Revenues at Proposed Rates (b) (c)	Estimated Total Annual Revenues Increase/(Decrease)(d)	Percent Change	Number of Customers' Bills Increased	Number of Customers' Bills Decreased	Number of Customers' Bills Not Changed (e)
1 - Residential & Religious	43,670,000	$237,220,009	$257,244,018	$20,024,009	8.4%	7,756,008	0	0
2 - General - Rate I (a)	247,390,000	$243,452,219	$247,360,891	$3,908,672	1.6%	565,661	0	179,587
2 - General - Rate I - Distribution Generation	32,550,000	$22,281,129	$22,553,678	$272,549	1.2%	1,469	0	91
2 - General - Rate II (a)	318,950,000	$348,879,149	$363,469,591	$14,590,441	4.2%	709,150	0	142,510
2 - Total Commercial	598,890,000	$614,612,497	$633,384,160	$18,771,663	3.1%	1,276,280	0	322,188
3 - Residential & Religious - Heating (a)	1,015,320,000	$1,269,000,816	$1,325,806,857	$56,806,041	4.5%	3,837,082	0	112,187
13 - Seasonal Off Peak Firm Service	860,000	$949,729	$987,572	$37,843	4.0%	3,014	0	2,090
14 - Natural Gas Vehicles	220,000	$394,182	$394,182					
Total Firm Sales & Firm Transportation	1,658,960,000	$2,122,177,233	$2,217,816,789	$95,639,556	4.5%	12,872,384	0	436,465

(a) Gas air-conditioning is included in SC 2 and SC 3.
(b) Annual Revenues reflect the gas cost factor and monthly rate adjustments, merchant function charges and various other charges used in calculating Rate Year Revenues.
(c) Annual Revenues include gas supply costs for transportation customers equivalent to what these customers would have paid as full service customers.
(d) Shows the overall impact including the increase in the MRA for the estimated recovery in RY 3 of payments made to pipeline companies for gate station work on pipeline-owned facilities.
(e) Number of customer bills not changed have bill impacts ranging from -0.01% to 0.01%.

APPENDIX B