



Consolidated Edison Company
of New York, Inc.
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June 16, 2017

Honorable Kathleen H. Burgess
Secretary
NYS Public Service Commission
Empire State Plaza
Agency Building 3
Albany, New York 12223-1350

**Re: Case 09-M-0311, Temporary Annual Assessment to be Collected
Under the Steam Tariff Pursuant to Public Service Law §18-a(6)**

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) herein submits for filing with the New York Public Service Commission (the “Commission”) the following Statement of Temporary State Assessment Surcharge to the Company’s Schedule for Steam Service, P.S.C. No. 4 – Steam (“Steam Tariff”), applicable to its customers in the Borough of Manhattan, New York City.

Submitted herewith is the following Statement, which has an effective date of July 1, 2017:

Statement of Temporary State Assessment Surcharge
TSAS – Statement No. 9 to P.S.C. No. 4 – Steam

Reason for Filing

This Statement is being filed pursuant to the Commission’s June 19, 2009 Order (“June 2009 Order”), May 16, 2013 Order (“May 2013 Order”), June 18, 2014 Order (“June 2014 Order”) and April 17, 2015 Order (“April 2015 Order”) in the above-referenced case and the provision entitled “Temporary State Assessment Surcharge,” in General Information Section 5.2 of the Steam Tariff. The June 2009 Order and this provision require that the Company file a Statement no less than fifteen days before the start of the period that the Public Service Law (“PSL”) §18-a surcharges are to be in effect.

The May 2013 Order approved tariff changes to allow for reduced collections in subsequent years. In the PSL §18-a surcharges that were effective in July 2013, the Company recognized over/under collections of past periods and adjusted the surcharges by service class. In this filing, the Company is continuing to adjust the PSL §18-a surcharges accordingly.

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The June 2014 Order authorized the continuation of the PSL §18-a surcharges through December 31, 2017, for utilities whose estimated over collection through June 30, 2014 (excluding the March 2014 assessment payment) is less than their expected March 2015 total assessment payment. Any remaining balance at the end of 2017 shall remain on the books of the utility until it is disposed of through a future Commission action.

Statement

Revised surcharges have been designed to collect PSL §18-a amounts required to be collected above the amount in base rates for the State Fiscal Year 2017-2018 (April through March) inclusive of an adjustment for uncollectible expenses and working capital costs. The amounts required to be collected for the 2017-2018 State Fiscal Year were allocated to each customer service class based on their contribution to the Company's total 2016 steam revenues inclusive of gross receipts taxes. As directed by the June 2014 Order, these amounts will be recovered during the period July 2017 through December 2017 and reflect a reduction in the assessment for Fiscal Year 2017-2018 to one-half of the Temporary State Assessment paid in Fiscal Year 2016-2017.

The surcharges also reconcile the difference between past period PSL §18-a amounts required to be collected and actual amounts collected. The PSL §18-a surcharges that became effective for the 12 months commencing July 1, 2016, recognized over/under collections applicable to prior periods, resulting in adjusted surcharges by customer class.¹ In this filing, the Company is continuing to adjust the PSL §18a surcharges for past period over/under collections. Reconciliation amounts for past periods were determined by allocating the total of the actual PSL §18-a payments made by the Company for each State Fiscal Year, including working capital and uncollectible expense adjustments based on the actual payments derived from total steam revenues inclusive of gross receipts taxes for the previous calendar year. These amounts were compared with the actual class-specific amounts collected under the surcharges that were in effect under the Steam Tariff.² Any differences have been added to the 2017-2018 State Fiscal Year amounts to determine total amounts recoverable from each customer class over the July 1, 2016 through December 31, 2017 period.

The Statement filed herewith reflects the unit amounts to be collected over the 6 months commencing July 1, 2017.

Surcharge amounts will be collected from SCs 1, 2, and 3 per Mlb; from SC 4 per Mlb/hour of Contract Demand; and from SC 5 per unit in effect under the customer's otherwise applicable SC.

¹ The May 2013 Order, approved tariff changes to allow the Company to reduce collections in the subsequent year if warranted by lower prior period revenues or a large over-collected balance.

² June 2017 collections have been estimated. This year's surcharge reflects the true-up of June 2016 collections which were estimated last year.

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The Company will make a filing on or before December 15, 2017 to reflect the expiration of the surcharges on or after January 1, 2018.³

Sincerely,

/s/

William A. Atzl, Jr.

Director

Rate Engineering Department

Attachment

³ Per the Commission's June 2014 Order, any reconciliation amount required at the end of 2017 will be deferred, plus working capital costs, for future disposition.