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Consolidated Edison Company of New York, Inc 4 Irving Place New York NY 10003-0987

December 15, 2016

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

Re: Cases 14-M-0094 et al., Clean Energy Fund Framework and Case 15-M-0252, Utility Energy Efficiency Programs – Statement of System Benefits Charge

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc. (the "Company") is filing the annual update to its Statement of System Benefits Charge ("SBC") to its Schedule for Gas Service, P.S.C. No. 9 – Gas ("Gas Tariff"):

SBC – Statement No. 16 to P.S.C. No. 9 - Gas

The Statement is being issued on December 15, 2016 to become effective on January 1, 2017.

This filing is in accordance with General Information Section IX.16 of the Gas Tariff requiring an annual SBC filing in accordance with the following orders of the New York State Public Service Commission (the "Commission"): (1) Order Authorizing The Clean Energy Fund Framework, issued and effective January 21, 2016, in Case 14-M-0094 et al (the "CEF Order") and (2) Order Authorizing Utility-Administered Energy Efficiency Portfolio Budgets and Targets for 2016-2018, issued and effective January 22, 2016, in Case 15-M-0252 (the "EE Order").

Pursuant to the Orders mentioned above, the Company filed with the Commission on February 16, 2016 revisions to General Information Section IX.16 of the Gas Tariff to indicate that the SBC has two surcharge rate components: an Energy Efficiency Tracker Surcharge and a Clean Energy Fund Surcharge.

EE Tracker Amount to be Recovered

The net EE Tracker amount to be recovered for calendar year 2017 is \$14,994,764 and reflects the following: (1) \$14,533,466 to reflect the authorized budget for the Utility-Administered Energy Efficiency Programs for 2017 outlined in Appendix B in the Commission's EE Order, (2) \$394,109 to reflect the estimated net under-collection associated with the reconciliation of the EE Tracker funds collected for year 2016; (3) a credit of \$55,391 to reflect the interest on unexpended

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EE Tracker funds for 2016; and (4) \$122,580 in interest refunded through the EE Tracker associated with the months of January and February 2016.

Therefore, the net amount of \$14,994,764 to be recovered through the EE Tracker Surcharge in 2017 is calculated as follows:

2017 Authorized EE Tracker Collection Target	\$14,533,466
Net EE Tracker Under-Collections for 2016	394,109
Interest accrued through 2016	(55,391)
Interest refunded in 2016	122,580
Total to be recovered through EE Tracker Surcharge	\$14,994,764

Clean Energy Fund Amount to be Recovered

The net Clean Energy Fund amount to be recovered for calendar year 2017 is \$9,732,292 and reflects the following: (1) \$10,488,482 to reflect the Gas Clean Energy Fund collection target for 2017, (2) a credit of \$658,375 to reflect the estimated net over-collection associated with the reconciliation of the Clean Energy funds collected for year 2016; and (3) a credit of \$97,815 to reflect a refund received from NYSERDA in 2016.

Therefore, the net amount of \$9,732,292 to be recovered through the Clean Energy Fund Surcharge in 2017 is calculated as follows:

2017 Clean Energy Fund Collection Target	\$10,488,482
Net Clean Energy Fund Over-Collections for 2016	(658,375)
NYSERDA Refund Received in 2016	(97,815)
Total to be recovered through Clean Energy Fund Surcharge	\$9,732,292

As shown on the revised SBC Statement, the EE Tracker Surcharge and the Clean Energy Fund Surcharge to be recovered are a charge of 0.9524 cents and 0.6181 cents per therm, respectively. As required by General Information Section IX.16 of the Gas Tariff, the Company is filing its SBC Statement no less than fifteen days before its effective date.

Very truly yours,

/s/

William A. Atzl, Jr.
Director
Rate Engineering Department