



Consolidated Edison Company of NY, Inc.
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June 15, 2015

Kathleen H. Burgess
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, New York 12223

RE: Case 09-M-0311, Temporary Annual Assessment 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") a Statement of Temporary State Assessment Surcharge, TSAS - Statement No. 7, 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 is filing the following Statement, which has an effective date of July 1, 2015:

Statement of Temporary State Assessment Surcharge, TSAS – Statement No. 7

Reason for Filing

The Commission's Order Implementing Revised Temporary State Assessment (the "2014 Order"), issued and effective June 18, 2014, in Case 09-M-0311, "Implementation of Chapter 59 of the Laws of 2009 Establishing a Temporary Annual Assessment Pursuant to Public Service Law §18-a(6)," implements the revised temporary state assessment. The 2014 Order authorizes the continuation of the temporary surcharge 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 Public Service Law ("PSL") §18-a amounts required to be collected above the amount in base rates for the State Fiscal Year 2015-2016 (April through March) inclusive of an adjustment for uncollectible expenses and working capital costs. Also included in the revised surcharges is an adjustment for prior years to reflect the estimated deferrals as set forth in Appendix B of the April 2015 Order in Case 09-M-0311. The PSL §18-a amount required to be collected for the 2015-2016 State Fiscal Year was allocated to each class based on their contribution to the Company's total 2014 gas revenues inclusive of gross receipts taxes. Revenues include both delivery and supply charges for all Con Edison customer classes (including estimated supply charges for transportation customers).¹ These amounts will be recovered for the period July 2015 through June 2016 and reflect the reduction of assessments from 1.63 to 1.00 percent for Fiscal Year 2015-2016.

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, 2014, recognized over/under collections applicable to past periods, resulting in adjusted surcharges by class.² In this filing, the Company is continuing to adjust the PSL §18-a 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 gas revenues inclusive of gross receipts taxes and estimated ESCO revenues 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 Gas Tariff.³ Any differences have been added to the 2015-2016 State Fiscal Year amounts to determine total amounts recoverable over the July 1, 2015 through June 30, 2016 period.

The Statement filed herewith reflects the unit amounts to be collected over the 12 months commencing July 1, 2015.

Very truly yours,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

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

¹ Based on applying the average supply charge per therm paid by Con Edison full-service customers in 2014 to transportation volumes, the Company has estimated ESCO commodity revenues, including gross receipts taxes to be about \$556 million.

² The Commission's Order issued May 16, 2013, in Case No. 09-M-0311, 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.

³ June 2015 collections have been estimated and will be trued up in next year's Temporary Annual Assessment surcharge. This year's surcharge reflects the true-up of June 2014 collections which were estimated last year.