



Consolidated Edison Company
of New York, Inc.
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December 1, 2023

Honorable Michelle L. Phillips
Secretary to the Commission
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, New York 12223 - 1350

RE: Case 22-G-0065, Con Edison's Gas Rate Plan – Rate Year Two

Dear Secretary Phillips:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") is filing with the Public Service Commission (the "Commission") amendments to its Schedule for Gas Service, P.S.C. No. 9 - Gas (the "Gas Tariff"), applicable to its customers in the City of New York and the County of Westchester.

The tariff amendments are issued with an effective date of January 1, 2024. The specific Gas Tariff leaves and statement being revised are identified in Appendix A.

Reason for Filing

The Commission's *Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans with Additional Requirements*, issued and effective July 20, 2023, in Cases 22-E-0064, and 22-G-0065 (the "Order"), adopted the Joint Proposal ("JP") set forth in Attachment 1 to the Order.

The Order provides for a three-year gas rate plan ("Gas Rate Plan") in which Rate Years ("RY") 1, 2 and 3 are the twelve-month periods commencing January 1, 2023, January 1, 2024, and January 1, 2025, respectively. Under the Gas Rate Plan, the annual gas delivery service revenue requirement is increased by \$187.2 million (which includes gross receipts tax) in each of RYs 1, 2 and 3. The revenue requirements are levelized during the three years to provide rate stability over the term of the Gas Rate Plan.¹

¹ The annual levelized rate changes would result in higher base rates at the end of the three-year term of the Gas Rate Plan than they would otherwise be under a non-levelized approach. Therefore, if the Company does not file for

Revenue Allocation and Rate Design

Revenue Allocation

The revenue allocation for firm customers is described in Appendix 17 of the JP. Table 1 of Appendix 17 summarizes the changes in delivery revenues by Service Classification (“SC”), including the components of the revenue changes.

The percentage changes in revenues and bill changes for the firm service classes are shown in Appendix B.

Rate Design

FIRM:

Appendix 17 of the JP describes the rate design process for firm customers, for which major items are summarized below:

The minimum monthly charges for the firm service classes were increased as follows:

GAS SERVICE CLASSES	RY 1 (2023)	RY 2 (2024)
SC 1	\$30.00	\$31.67
SC 2 Rate I	\$39.00	\$43.00
SC 2 Rate II	\$39.00	\$43.00
SC 3	\$26.00	\$29.00
SC 13	\$66.86	\$73.71

The Rider J minimum charges were increased by the same percentage increases as the SC 1 and SC 3 minimum charges as follows:

Rider J Service Classes	RY 1 (2023)	RY 2 (2024)
SC 1	\$30.30	\$32.00
SC 3	\$48.60	\$53.60

The Rider H minimum charges were increased by the same percentage increase as the SC 2 Rate I minimum charge and are set forth in the table below.

new rates to be effective January 1, 2026, the Company will make a compliance filing by December 1, 2025 to set rates effective January 1, 2026 at a level designed to produce non-competitive delivery base rate revenues on an annual basis that are lower by \$49.09 million. The Revenue Decoupling Mechanism targets for the Rate Year commencing January 1, 2026 will also be reduced by \$49.09 million.

DG Capacity	RY 1 (2023)	RY 2 (2024)
<= 0.25 MW	\$203.15	\$218.98
>0.25 MW and <= 1 MW	\$277.59	\$299.21
> 1 MW and <= 3 MW	\$552.24	\$595.26
> 3 MW and < 5 MW	\$736.07	\$793.41
>= 5 MW and < 50 MW	\$111.45	\$120.13

NON-FIRM:

Non-firm rates have been modified as follows for Interruptible Service under SC 9 Rate B and SC 12 Rate 1:

- a. Volumetric block rates for non-residential customers are set at 70% of each of the SC 2 Rate 2 volumetric block rates.
- b. Volumetric block rates for residential customers are set at 70% of each of the SC 3 volumetric block rates.
- c. The monthly minimum charges will remain at \$100.

Other Tariff Changes

Changes to the Gas Tariff were made in accordance with the Order as follows:²

- The factor of adjustment (“FOA”) has been updated for RY 2 as described in General Information Section VII.(A)1.(d). The FOA for RY 2 is 1.0338.

Statement Filing

This filing includes a revised Statement of Delivery Revenue Surcharge – SDR Statement No. 19 to implement the RY 2 Delivery Revenue Surcharges.

² The Company’s RY 1 compliance filing included Leaf No. 181.2 which set forth RDM targets for RYs 1, 2 and 3, and is therefore not included in this RY 2 compliance filing. On November 6, 2023, the Company filed a petition with the Commission to correct the RY 2 and RY 3 RDM targets to align those targets with the JP’s RY 2 and RY 3 revenue requirements. In its petition, the Company requested that the Commission direct the Company to file revised tariff leaves in the order granting the petition.

Conclusion and Notice

As directed by Ordering Clause 4 of the Order, the Company is serving copies of this filing electronically upon all parties to this proceeding. As directed by Ordering Clause 5, the Company has filed its tariff amendments to take effect on a temporary basis, on not less than thirty days' notice, to become effective on January 1, 2024. As directed by Ordering Clause 6, the Company will provide public notice of the tariff amendments by means of newspaper publication once a week for four consecutive weeks prior to their effective date.

Questions regarding this filing can be directed to Lucy Villeta at (212) 460-4754.

Sincerely,

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

Appendix A

PSC No. 9 - Gas: List of Revised Tariff Leaves

<u>Leaf No.</u>	<u>Revision No.</u>	Superseding <u>Revision No.</u>
154.6	26	25
154.8	26	25
154.9	32	31
154.24	30	29
154.25	27	26
157.1	19	18
228	37	36
230	30	29
234	24	23
240	36	35
243	28	27
331	14	13
349	35	34

Statements

Statement of Delivery Revenue Surcharge

Statement Type

SDR

Statement No.

19

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, 2024 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 2023 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	36,528,787	298,231,559	313,092,807	\$14,861,249	5.0%	6,935,282	0	0
2 - General - Rate I (a)	242,615,002	327,710,168	340,143,740	12,433,572	3.8%	840,382	0	0
2 - General - Rate I - Distribution Generation	80,760,000	68,239,636	69,244,493	1,004,857	1.5%	2,205	0	0
2 - General - Rate II (a)	341,542,831	503,332,533	531,765,668	28,433,135	5.6%	747,703	0	0
2 - Total Commercial	664,917,833	899,282,337	941,153,901	41,871,564	4.7%	1,590,290	0	0
3 - Residential & Religious - Heating (a)	1,016,194,776	1,797,792,266	1,913,277,032	115,484,767	6.4%	3,355,406	185,162	40
3 - Res. & Rel. - Heating Rider J	30,000	39,996	42,046	2,050	5.1%	84	0	0
13 - Seasonal Off Peak Firm Service	590,000	907,325	954,883	47,559	5.2%	2,584	0	0
14 - Natural Gas Vehicles + Negotiated Contracts	24,120,000	15,858,332	15,749,211	(109,121)				
Total Firm Sales & Firm Transportation	1,742,381,395	\$3,012,111,814	\$3,184,269,881	\$172,158,067	5.7%	11,883,646	185,162	40

(a) Gas air-conditioning is included in SC 2 and SC 3.

(b) Annual Revenues:
include gas cost factor, monthly rate adjustment, merchant function charges and various other charges used in calculating Rate Year Revenues;
include gas supply costs for transportation customers equivalent to what these customers would have paid as full service customers;

(c) Number of customers' bills not changed have bill impacts ranging from -0.01% to 0.01%.