

..DID: 6999

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CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Hon. Debra Renner
Acting Secretary
Public Service Commission
State of New York
Three Empire State Plaza
Albany, New York 12223

Subject: Case Nos. 97-G-1380 and 93-G-0932
Policy Statement Concerning The Future Of The Natural Gas
Industry In New York State And Order Terminating Capacity
Assignment

Dear Secretary Renner:

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 reflect revisions to the Company's Schedule for Gas Service, P.S.C. No. 9 - Gas, as identified below ¹ :

P.S.C. No. 9 - Gas

First Revised Leaf No. 156.0
Superseding Original Leaf No. 156.0

First Revised Leaf No. 159.0
Superseding Original Leaf No. 159.0

First Revised Leaf No. 165.0
Superseding Original Leaf No. 165.0

Original Leaf No. 183.1

¹ This P.S.C. No. 9 tariff supersedes P.S.C. No. 8 that is proposed to become effective March 1, 1999 to accommodate electronic filings. The tariff leaves filed today bear an effective date of April 1, 1999 and are set in the format of the new P.S.C. No. 9 tariff.

First Revised Leaf No. 282.0
Superseding Original Leaf No. 282.0

First Revised Leaf No. 300.0
Superseding Original Leaf No. 300.0

First Revised Leaf No. 307.0
Superseding Original Leaf No. 307.0

The tariff leaves are issued February 1, 1999 to become effective April 1, 1999.

Reasons for Tariff Changes

In compliance with the Commission's "Policy Statement Concerning The Future Of The Natural Gas Industry In New York State And Order Terminating Capacity Assignment" issued and effective November 3, 1998, the Company has (1) deleted the provision in its gas tariff that permitted the Company to impose released capacity on customers converting to firm transportation service (See Leaf No. 307.0, (A)), and (2) added a mechanism for the recovery of strandable capacity costs, if any, resulting from customers converting on and after April 1, 1999 and not taking released capacity from the Company.

The mechanism provides for the recovery of these strandable capacity costs through a separate surcharge collected from all firm sales and firm transportation customers. The formula for calculating strandable costs generally follows the Commission Staff's recommendations. The Company proposes to adjust this surcharge monthly to reflect changes in its calculation of strandable costs attributable to, among other things, additional customers converting to transportation service, transportation customers returning to sales service, the addition of new sales customers, and/or a reduction in the Company's pipeline capacity entitlements. Consistent with prior Commission orders, all capacity costs incurred by the Company related to customers who convert on or before March 31, 1999, will continue to be recovered through the Gas Adjustment Clause. In addition, the Company proposes to credit to firm sales and firm transportation customers capacity release credits received by the Company for such strandable capacity, by reflecting such credits in the calculation of the strandable cost surcharge mechanism in subsequent months.

Notices

Because this is a compliance filing, the Company respectfully requests waiver of newspaper publication.

Respectfully submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By:_____

Edwin W. Scott