

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.**  
**4 Irving Place**  
**New York, NY 10003**

September 1, 2006

Honorable Jaclyn A. Brilling  
Secretary  
State of New York  
Public Service Commission  
Three Empire State Plaza  
Albany, N.Y. 12223-1350

Re: Case Number 03-G-1671

Dear Secretary Brilling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") is filing today with the Public Service Commission ("the Commission") amendments to its Schedule for Gas Service, PSC No. 9 – Gas (the "Gas Tariff"), as they relate to service under Service Classifications ("SC") Nos. 1, 3 and 9, in compliance with the Commission's Order, dated September 27, 2004, in the subject case.<sup>1</sup>

The specific tariff leaves filed electronically today are proposed to become effective on October 1, 2006. Attachment A to this letter sets forth the tariff leaves that are being amended in this filing.

**Purpose of Proposed Tariff Modifications**

In accordance with Appendix C of the Joint Proposal adopted in the September 2004 Order, Con Edison established a Low Income customer gas rate reduction program (the "Program") applicable to SC 1 and SC 3 customers (and for the equivalent SC 9 customers) who are receiving assistance under any of the following governmental assistance programs as well as for customers who have received a Home Energy Assistance Program (HEAP) grant in the preceding 12 months:

- a) Supplemental Security Income
- b) Temporary Assistance to Needy Persons
- c) Safety Net Assistance
- d) Medicaid
- e) Food Stamps.

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<sup>1</sup> Case 03-G-1671, *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Gas Service*, Order Adopting the Terms of a Joint Proposal, issued and effective September 27, 2004 (the "September 2004 Order").

The Program was designed to generate approximately \$1.6 million in rate reductions for each Rate Year (\$4.8 million for the 3-year duration of the Gas Rate Plan) through a 25 percent rate reduction in the Company's gas delivery rate. The existing Program reduces the delivery rate by 25 percent for SC 1 (and corresponding SC 9) customers for monthly gas usage above 3 therms, and for SC 3 (and corresponding SC 9) customers for monthly gas usage between 4 therms and 90 therms.

The Gas Rate Plan provides that the Company may, after consultation with Active Parties, revise the 25 percent rate reduction applicable in Rate Year 3 if it estimates that the aggregate actual rate reductions will be more or less than \$4.8 million for the three Rate Years. However, the customer rate reduction in Rate Year 3 cannot exceed 30 percent nor be less than 20 percent.

### **The Proposed Revision to the Low Income Rate Reduction Program**

The Company has estimated that the current 25 percent rate reduction will yield approximately \$3.7 million in rate reductions for the three-year period. The Company is therefore proposing to increase the rate reduction from 25 percent to 30 percent, the maximum allowed under the Program adopted in the September 2004 Order.

The proposed rate reduction would change the distribution rate for eligible low-income gas customers being served under (a) SC 1 (and corresponding SC 9) in the over 3 therm usage block and (b) SC 3 (and corresponding SC 9) customers in the 4 to 90 therm usage block, from \$0.4079 per therm to \$0.3807 per therm.

By letter dated August 17, 2006, the Company advised Staff and the Active Parties in the subject case of its plans to file to adjust the low income discount as described in this letter, on or about September 1, 2006, and offered to respond to any questions the parties may have. The Company received no inquiries in response to that letter.

### **Notices**

The Company respectfully requests that the Commission waive the requirement for newspaper publication of the changes proposed herein, since this filing is in compliance with the September 2004 Order. A copy of this filing will be sent to Active Parties in the subject case.

Very truly yours,

Christine Colletti  
Director  
Rate Engineering Department

Enclosures

## **Attachment - A**

Leaf 228  
Revision 7  
Superseding Revision 6

Leaf 240  
Revision 7  
Superseding Revision 6

Leaf 271  
Revision 7  
Superseding Revision 6