



Consolidated Edison Company
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Via Electronic Mail and Overnight
Delivery Service

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

RE: Case Number 06-G-1332

Dear Secretary Brillling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") is filing today with the Public Service Commission ("the Commission") further amendments to its Schedule for Gas Service ("the Schedule"), PSC No. 9 - Gas. The changes to the Schedule are set forth in the attached tariff leaves, which bear a notation that the leaves are issued in compliance with the Commission's Order dated September 25, 2007 ("the September 2007 Order") in the subject case, and are being issued with an effective date of October 26, 2007.¹ A list of the revised tariff leaves is set forth on Appendix A. The Company is also attaching a revised Appendix D and Appendix L to the Joint Proposal submitted in the subject case ("Joint Proposal").

¹ Case 06-G-1332, *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 In Part the Terms and Conditions of the Parties' Joint Proposal, issued and effective September 25, 2007.

Reasons for the Proposed Changes

The tariff amendments being filed herewith represent housekeeping changes to tariff amendments filed, on September 28, 2007, in the subject case and are filed in compliance with the Commission's September 2007 Order. In addition, because the September 2007 Order changed the amounts of the annual rate increases established by the Joint Proposal for each of the three Rate Years by levelizing the annual amounts of the rate increases granted the Company over that period, portions of Appendices D and L to the Joint Proposal required modifications. The Company therefore is attaching modified Appendices D and L, including all Tables, in order to incorporate the necessary changes for the rate levelization.

Summary of Proposed Changes

Housekeeping Changes

For the reason noted above, references to the Joint Proposal (on three tariff leaves) as the source, for example, of a design target, have been expanded to also reflect changes resulting from the Commission's September 2007 Order. In addition, six leaves were amended to fix grammatical errors, page notations, etc.

Appendix D of the Joint Proposal

1. Paragraph 2 has been revised to set forth the amount of the first Rate Year increase in the Company's revenue requirement established by the September 2007 Order.
2. Paragraph 4.A has been revised to reflect the changes to the minimum charges for SC 1 and SC 3 resulting from the September 2007 Order.
3. Paragraph 5 has been revised to reflect the reduced estimated revenue loss associated with reducing the SC 3 minimum charge to low income customers.
4. Tables 2, 3 and 5 have been modified to reflect the changes in the rate increases and revenue requirements. All Tables (including Tables 1 and 4, which remained the same) have been attached.

Appendix L of the Joint Proposal

The Revenue Per Customer Factors included in the Table in Appendix L have been changed to reflect the revised rates for each of the Rate Years resulting from the changes in the rate increases and revenue requirements.

Notices

The Company respectfully requests waiver of the Public Service Law as to newspaper publication of the above-described tariff amendments, since the changes proposed are corrections of reference citations that are being made in compliance with the September 2007 Order and the balance are of a clerical nature.

The Company is serving copies of this filing upon all parties to this proceeding.

Respectfully submitted,
Consolidated Edison Company of New York, Inc.

By: Christine Colletti
Christine Colletti
Director, Rate Engineering Department

Attachments

c.c. All Parties (with Attachments)

PSC NO. 9 – GAS

Appendix A
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Leaf 2 – Revision 1
Superseding Revision 0

Leaf 4 – Revision 5
Superseding Revision 4

Leaf 5 – Revision 10
Superseding Revision 9

Leaf 6 – Revision 2
Superseding Revision 1

Leaf 178 – Revision 5
Superseding Revision 4

Leaf 178.1 – Revision 1
Superseding Revision 0

Leaf 180 – Revision 5
Superseding Revision 4

Leaf 181 – Revision 7
Superseding Revision 6

Leaf 231 – Revision 9
Superseding Revision 8

Leaf 272 – Revision 6
Superseding Revision 5

Leaf 399 – Revision 3
Superseding Revision 2

APPENDIX D (Updated)

GAS RATE DESIGN

1. Billing Determinants and Rate Design Revenue Targets

Table 1 provides the billing determinants for the delivery rate design. Table 2 provides the rate design revenue targets for the Supply-Related and Credit and Collections (“C&C”) components of the Merchant Function Charge (“MFC”) for RY1, the C&C component of the POR discount rate for RY1, the Supply-Related component of the MFC for RY2 and RY3, the total C&C applicable to the MFC and POR discount rate¹ for RY2 and RY3, the Billing and Payment Processing charges for RY1, RY2 and RY 3, and delivery charges for RY1, RY2 and RY3. The allocation of the C&C rate design “Total” target between C&C for the MFC and C&C for the POR discount rate will be determined prior to RY2 and RY3 based upon the most recent information available.

2. Allocation of Increased Revenue Requirement

The Revenue Allocation for each Rate Year was designed to achieve the rate design revenue targets shown on Table 2. The detailed revenue allocation is shown on Table 3.

For the first Rate Year, the total increase in the Company’s revenue requirement of **\$36,277,000**, less gross receipts tax of **\$787,859**, was allocated to firm sales and firm transportation customers in SC 1, 2, 3, 9 and 13 in the following manner: (a) Revenue deficiencies/surpluses as indicated in (Table 3) were used to realign Rate Year revenue at current rate levels for SC 1, SC 2 Heating and SC 2 Non-Heating; (b) The average percentage rate increase was applied to the realigned revenues for all classes; (c) The total rate increase for each class was determined by adding the rate increase for each class and the deficiency or surplus indicated in Table 3. The overall average percentage rate increase for RY1 was determined by dividing the RY1 rate increase by delivery revenues at current rates.

For the second Rate Year, the delivery rate increase was determined by subtracting Rate Year 2 forecasted sales priced at Rate Year 1 delivery rates from the Rate Year 2 delivery revenue requirement. The resulting delivery rate increase was divided by revenues resulting from Rate Year 2 sales priced at Rate Year 1 delivery rates to determine the overall average delivery rate percentage increase. The overall average delivery rate increase and delivery rate percentage increase for RY3 were determined in a similar manner.

¹ Any C&C charges related to gas transportation customers whose ESCOs participate in the Company’s Purchase of Receivables program (“POR”) will be included in the POR discount rate, based upon the rate design revenue target in Table 2.

For the second and third Rate Years all classes will be assigned the average percentage delivery rate increase.

3. Unbundling Changes

Con Edison will implement the following unbundling changes:

A. Merchant Function Charge

1. The Merchant Function Charge ("MFC") will be applicable to full service firm customers only and will consist of the following components:
 - Supply-Related Component.
 - Credit and Collections/Theft ("C&C") Component.
 - Uncollectible Accounts Expense ("UBs") associated with supply (this component will change each month, and will be determined in the manner described below).
 - Gas in Storage Working Capital (this component will change each Rate Year, and will be determined in the manner described below).
2. Separate MFC charges will be established for SC 1, SC 2 Heating, SC 2 Non-Heating and SC 13, and SC 3. For the Supply-Related component and for the C&C component, different unit costs will be set for residential and for non-residential classes. At the end of each Rate Year, the Supply-Related and C&C components of the MFC will be trued up to the Rate Year design targets and any reconciliation amount will be included in the subsequent year's calculation of the MFC.

The charge for UBs associated with supply will be based upon actual supply costs for each month as shown in the Company's monthly Gas Cost Factor ("GCF"). The UBs associated with supply costs as shown in the GCF will be included in the MFC. Separate UB factors will be calculated for each of the three GCF groupings and will reflect the overall uncollectible rate of 0.543%, with uncollectible rates of .8053% for residential customers and .3466% for non-residential customers for Rate Year 1. The UB rates for residential and non-residential customers will be updated annually, prior to each Rate Year to reflect the overall uncollectible rate of .543%.

The Gas in Storage Working Capital charge will be allocated between full service customers (MFC Component) and all customers (MRA Component) and will be the same for all classes. For RY1, the allocation between full service and all customers will be such that the volumetric rate for full service customers will be twice the rate applicable to all customers. For RY2 and RY3, the volumetric rate for full service customers will be 1½ times and 1 time the rate to all customers,

respectively. At the end of each Rate Year, the Gas in Storage Working Capital included in the MFC and MRA will be trued-up to actual costs and the difference included in the subsequent year's calculation.

B. Billing and Payment Processing Charge

The Billing and Payment Processing ("BPP") Charge for gas will be set at \$0.94 for single service gas customers who purchase both their commodity and delivery from the Company and for retail access customers receiving separate bills from the Company and the ESCO. Dual service customers will pay no more than \$0.47 for gas BPP. Table 2 provides the rate design targets for BPP for each Rate Year. Table 4 includes the gas BPP charges for single service and dual service gas customers.

C. Transition Adjustment for Competitive Services

The Transition Adjustment for Competitive Services ("TACS") will reconcile (1) actual revenues received from the C&C component for POR customers included in the discount rate with the amount reflected in the discount rate, and (2) the lost revenue attributable to the BPP charges associated with customers migrating to retail access and being billed for their gas use through an ESCO consolidated bill. The reconciliation in (1) above will be calculated using the Rate Year design target in Table 2 for C&C POR for RY1, and will be based on an allocation of the C&C Total from Table 2 for RY2 and RY3.

The TACS will apply to firm full service customers and to firm transportation customers and will be assessed through the MRA. The rates will be designed so that lost revenues will be recovered at the same rate from all firm customers.

4. Rate Design Within The Service Classes

A summary of the proposed delivery rates resulting from the rate design described below is shown on Table 5.

- A. The minimum charges (the charge for the delivery of the first three therms or less) in all three Rate Years for SC 1, SC 2 Heating, SC 2 Non-Heating, and SC 3, and for the corresponding SC 9 rates, will be increased to better reflect the Company's cost to provide service. The SC 13 minimum charge and the corresponding SC 9 firm transportation minimum charge, which is designed to collect minimum charges over seven months as opposed to twelve months, will be increased accordingly. For SC 3, the minimum charge will be **\$13.21 for RY1** and \$15.38 for RYs 2 and 3. For SC 1, the minimum charge for RY 1, RY 2 and RY 3 will be **13.17, \$14.34 and 15.28**, respectively.

- B. For SC 1 and SC 3 (and their associated SC 9 rates), the remaining revenue increase assigned to those classes in all three Rate Years, after allocating a portion of the revenue increase to the minimum charge, will be allocated among the blocks on an equal ¢/therm basis.
- C. For SC 2 Heating and SC 2 Non-Heating, the Company will distribute the net revenue increases for each Rate Year, for rate blocks of more than 3 therms in the following manner: The 4-90 block will be assigned the average ¢/therm increase for each class after assigning a portion of the revenue increase to the minimum charge; all remaining blocks in each class will be assigned an equal percentage increase.
- D. For SC 13, for each Rate Year, the remaining blocks will be assigned revenue increases only to the extent that any revenue increase for SC 13 remains after assigning the revenue increase to the SC 13 minimum charge. The air-conditioning rates within SC 2 and SC 3 will be set equal to the proposed block rates in SC 13.
- E. The rates for Riders G and I will be set using the same relationship that exists between SC 2 delivery rates and Riders G and I rates today.
- F. No increase will be allocated to SC 14, and firm bypass rate customers. However distributed generation rates under Riders H and J will be increased by the average rate increase allowed for each Rate Year.

5. **Low Income Rate Changes**

The Company will continue to implement a low-income customer rate program, pursuant to the terms set forth in this Appendix D, targeted at low-income residential customers taking service under SC 1 (non-heating) and 3 (heating), and corresponding SC 9 customers. To qualify for the program, a customer must be receiving benefits under any of the following governmental assistance programs: Supplemental Security Income, Temporary Assistance to Needy Persons, Safety Net Assistance, Medicaid, or Food Stamps, or have received a Home Energy Assistance Program grant in the preceding 12 months.

The Company will set the rate reduction at \$0.2029 per therm in the over-3 therm block for eligible SC 1 customers and in the 4-90 block for eligible SC 3 customers. Similar rate reductions will be set for equivalent SC 9 transportation customers. Eligible SC 3 customers will receive a reduction in their minimum charge as well. The minimum charge for eligible low income SC 3 customers will be set at the minimum charge for SC 1; the Company has designed rates to recover the estimated revenue loss of **\$100,000** associated with this reduced minimum charge. A customer receiving the low-income rate reduction will be subject to all other applicable rates and charges of the customer's applicable service classification.

The program will be designed to provide approximately \$5.0 million of rate reductions in total over the RY 1 through the RY 3 period based on the currently forecasted customer participation levels. If the Company, in consultation with active parties, estimates that the aggregate actual rate reductions to be provided to low income customers over the three Rate Years ending September 30, 2010 will exceed \$6 million or be less than \$5.0 million, the Company may, after consultation with active parties, revise the rate reduction applicable in RY3. Revised rates to implement this revision may be filed on 30 days' notice. If the Company determines to revise such rate(s), the rate reduction established for RY3 shall not increase or decrease by more than 25 percent. At the end of RY3, any difference remaining between \$5.0 million and the aggregate actual level of low income reductions provided over the three Rate Years ending September 30, 2010 shall be credited or surcharged to SC 1, 2, 3 and 13 firm customers and corresponding SC 9 firm transportation customers, including low income customers, as an adjustment to the MRA over a twelve-month period, commencing October 1, 2010.

Any difference remaining between \$4.8 million and the aggregate actual level of low income reductions provided over the three Rate Years ending September 30, 2007, will be credited or surcharged to all firm gas customers through an adjustment to the MRA over the twelve months commencing October 1, 2007.

6. **Recovery of Interruptible Plant**

For the first and second Rate Years recovery of the cost of plant applicable to interruptible and off-peak firm customers through September 30, 2004 will continue to be recovered by reducing the deferred balance of firm customers' share of non-firm revenues at the end of each month. This is a continuation of the amortization established in the prior rate plan which allowed for a five year amortization of the unrecovered plant. Any amount remaining unrecovered at the end of the second Rate Year will be deferred for future recovery.

The revenues for interruptible customers commencing service on or after October 1, 2007 will no longer be used to offset installation costs of those customers. Any interruptible customers commencing service on or after October 1, 2004 whose facility costs have not been fully offset against revenues as of September 30, 2007, will continue to have their revenue applied against those facility costs until such facility costs are completely offset.

APPENDIX D
TABLE 1

Rate Year Billing Determinants			
	Rate Year 1	Rate Year 2	Rate Year 3
Service Classification 1			
Annual Bills	7,250,912	7,208,618	7,166,324
Therms 0-3	14,878,760	14,791,973	14,705,188
Therms >3	26,455,762	26,295,472	26,135,181
Total Annual Sales Volumes (Therms)	41,334,522	41,087,445	40,840,369
Service Classification 1 - Low Income			
Bills	1,111,008	1,105,144	1,099,280
Therms 0-3	2,871,416	2,856,260	2,841,104
Therms >3	3,665,698	3,645,524	3,625,349
Total Annual Sales Volumes (Therms)	6,537,114	6,501,784	6,466,453
Service Classification 2 Heating			
Annual Bills	730,228	748,541	766,856
Therms 0-3	1,957,466	2,006,557	2,055,650
Therms 3-90	39,675,168	40,670,163	41,665,212
Therms 90-3000	175,211,904	179,714,101	184,218,939
Therms >3000	74,136,886	76,074,017	78,012,970
Total Annual Sales Volumes (Therms)	290,981,424	298,464,838	305,952,771
Service Classification 2 Heating - Air Conditioning			
Therms 0-1200	125,323	133,665	141,614
Therms >1200	1,323,247	1,411,335	1,495,264
Total Annual Sales Volumes (Therms)	1,448,570	1,545,000	1,636,878
Service Classification 2 Heating - Economic Development Zone			
Annual Bills	1,162	1,191	1,221
Therms 0-3	2,926	3,001	3,075
Therms 3-90	65,428	67,101	68,775
Therms 90-250	93,395	95,784	98,173
Therms 250-3000	615,229	631,036	646,847
Therms >3000	1,030,577	1,058,016	1,085,482
Total Annual Sales Volumes (Therms)	1,807,555	1,854,938	1,902,352
Service Classification 2 Non-Heating			
Annual Bills	724,355	731,280	738,205
Therms 0-3	1,848,216	1,865,887	1,883,555
Therms 3-90	29,588,218	29,869,600	30,153,391
Therms 90-3000	116,182,244	117,287,131	118,401,473
Therms >3000	30,379,140	30,668,045	30,959,423
Total Annual Sales Volumes (Therms)	177,997,818	179,690,663	181,397,842
Service Classification 2 Non-Heating - Air Conditioning			
Therms 0-1200	63,010	66,190	69,103
Therms >1200	975,123	1,024,329	1,069,410
Total Annual Sales Volumes (Therms)	1,038,133	1,090,519	1,138,513
Service Classification 2 Non-Heating - Economic Development Zone			
Annual Bills	145	146	148
Therms 0-3	388	392	396
Therms 3-90	11,718	11,835	11,954
Therms 90-250	20,054	20,255	20,458
Therms 250-3000	215,840	218,006	220,191
Therms >3000	426,704	430,987	435,304
Total Annual Sales Volumes (Therms)	674,704	681,475	688,303
Service Classification 3 (1 to 4 Housing Units)			
Annual Bills	2,835,987	2,871,899	2,907,810
Therms 0-3	8,523,776	8,631,713	8,739,646
Therms 3-90	159,380,757	161,411,902	163,440,958
Therms 90-3000	167,773,089	169,923,672	172,070,317
Therms >3000	1,109,159	1,125,561	1,141,933
Total Annual Sales Volumes (Therms)	336,786,781	341,092,848	345,392,854
Service Classification 3 (1 to 4 Housing Units) - Low Income			
Annual Bills	79,703	80,755	81,806
Therms 0-3	239,399	242,555	245,711
Therms 3-90	4,181,664	4,237,172	4,292,620
Therms 90-3000	3,226,505	3,269,512	3,312,443
Therms >3000	18,475	18,721	18,967
Total Annual Sales Volumes (Therms)	7,666,043	7,767,960	7,869,741
Service Classification 3 (1 to 4 Housing Units) - Air Conditioning			
Therms 0-1200	-	-	-
Therms >1200	-	-	-
Total Annual Sales Volumes (Therms)	-	-	-
Service Classification 3 (More than 4 Housing Units)			
Annual Bills	172,461	174,633	176,806
Therms 0-3	505,176	511,540	517,904
Therms 3-90	13,593,005	13,764,201	13,935,397
Therms 90-3000	133,060,840	134,732,753	136,402,500
Therms >3000	113,458,895	114,124,228	114,788,367
Total Annual Sales Volumes (Therms)	260,617,916	263,132,722	265,644,168
Service Classification 3 (More than 4 Housing Units) - Low Income			
Annual Bills	88	88	90
Therms 0-3	265	268	272
Therms 3-90	6,493	6,578	6,664
Therms 90-3000	21,383	21,668	21,953
Therms >3000	-	-	-
Total Annual Sales Volumes (Therms)	28,141	28,514	28,889
Service Classification 3 (More than 4 Housing Units) - Air Conditioning			
Therms 0-1200	23,605	24,872	26,045
Therms >1200	86,565	91,212	95,512
Total Annual Sales Volumes (Therms)	110,170	116,084	121,557
Service Classification 13			
Annual Bills	5,851	6,262	6,674
Therms 0-3	8,901	9,528	10,155
Therms 3-1200	398,528	443,646	488,764
Therms >1200	302,571	336,826	371,081
Total Annual Sales Volumes (Therms)	710,000	790,000	870,000
Service Classification 2 - Commercial Distributed Generation			
Total Annual Sales Volumes (Therms)	998,499	998,499	998,499
Service Classification 2 - Non-Heating			
Firm Bypass	19,637,265	19,637,265	19,637,265
Service Classification 14			
Total Annual Sales Volumes (Therms)	120,000	120,000	120,000
Summary of Sales Volumes			
Service Classification 1 Sales Volumes (Therms)	47,871,636	47,589,229	47,306,822
Service Classification 2 Non-Heating Sales Volumes (Therms)	200,346,419	202,098,421	203,860,422
Service Classification 2 Heating Sales Volumes (Therms)	294,237,549	301,864,776	309,492,001
Service Classification 2 Non-Heating Sales DG			
Service Classification 3 Sales Volumes (Therms)	605,209,051	612,138,128	619,057,209
Service Classification 13 Sales Volumes (Therms)	710,000	790,000	870,000
Service Classification 14 Sales Volumes (Therms)	120,000	120,000	120,000
Total Annual Sales Volumes (Therms)	1,148,494,655	1,164,600,554	1,180,706,454

APPENDIX D
TABLE 2 (Updated)

RATE DESIGN REVENUE TARGETS								
	Firm Rates	Supply MFC	C&C MFC	C&C POR	C&C Total	BPP	Delivery	
Current Rates	\$ 587,770,000							
Rate Year 1 Increase	\$ 36,277,000							
Less Taxes	<u>\$ (787,859)</u>							
Rate Year 1	\$ 623,259,141	\$ 7,329,186	\$ 10,564,623	\$ 1,348,006	\$ 11,912,629	\$ 5,850,756	\$	598,166,570
Growth Rate Year 2	\$ 6,800,000							
Less Taxes	\$ (147,681)							
Rate Year 2 Increase	\$ 67,500,000							
Less TAXES	<u>\$ (1,477,982)</u>							
Rate Year 2	\$ 695,933,479	\$ 7,762,381	TBD	TBD	\$ 12,616,731	\$ 5,858,731	\$	669,695,636
Growth Rate Year 3	\$ 6,900,000							
Less Taxes	\$ (149,853)							
Rate Year 3 Increase	\$ 67,500,000							
Less TAXES	<u>\$ (1,477,982)</u>							
Rate Year 3	\$ 768,705,644	\$ 8,306,328	TBD	TBD	\$ 13,500,845	\$ 5,864,835	\$	741,033,636

Appendix D
Table 3 (Updated)

RATE YEAR 1													Percent Increase		
Service Class	Delivery @ Current Rates	Deficiency/ (Surplus)	Realigned RY1 @ Current Rates	Increase	Total Revenue	Supply	C&C	B&P	Total Delivery Rev	Delivery Increase	Competitive Charges	Bill Impact	Delivery	Competitive	Bill
SC 1	\$ 119,402,451	\$ 4,396,677	\$ 123,799,128	\$ 7,488,958	\$ 131,288,086	\$ 451,282	\$ 805,064	\$ 3,691,152	\$ 126,340,588	\$ 6,938,137	\$ 4,947,498	\$ 11,885,635	5.81%	4.14%	9.95%
SC 2 R1 - Non Heat	\$ 66,586,678	\$ (1,254,995)	\$ 65,331,683	\$ 3,952,098	\$ 69,283,781	\$ 712,969	\$ 975,335	\$ 382,194	\$ 67,213,283	\$ 626,605	\$ 2,070,498	\$ 2,697,103	0.94%	3.11%	4.05%
SC 2 R1 - NH DG	\$ 148,225	\$ (2,777)	\$ 145,448	\$ 8,799	\$ 154,247	\$ 1,587	\$ 1,492	\$ -	\$ 151,168	\$ 2,943	\$ 3,079	\$ 6,022	1.99%	2.08%	4.06%
SC 2 R2 - Heat	\$ 111,596,542	\$ (3,138,905)	\$ 108,457,637	\$ 6,560,908	\$ 115,018,545	\$ 1,256,696	\$ 1,661,582	\$ 362,041	\$ 111,738,226	\$ 141,684	\$ 3,280,319	\$ 3,422,003	0.13%	2.94%	3.07%
SC 3	\$ 288,681,297	\$ -	\$ 288,681,297	\$ 17,463,145	\$ 306,144,442	\$ 4,903,405	\$ 8,465,563	\$ 1,411,267	\$ 291,364,207	\$ 2,682,910	\$ 14,780,235	\$ 17,463,145	0.93%	5.12%	6.05%
SC 13	\$ 251,840	\$ -	\$ 251,840	\$ 15,235	\$ 267,075	\$ 3,248	\$ 3,593	\$ 4,102	\$ 256,132	\$ 4,292	\$ 10,943	\$ 15,235	1.70%	4.35%	6.05%
Subtotal	\$ 586,667,033	\$ -	\$ 586,667,033	\$ 35,489,143	\$ 622,156,176	\$ 7,329,187	\$ 11,912,629	\$ 5,850,756	\$ 597,063,604	\$ 10,396,571	\$ 25,092,572	\$ 35,489,143	1.77%	4.28%	6.05%
SC 14	\$ 216,000	\$ -	\$ 216,000	\$ -	\$ 216,000	\$ -	\$ -	\$ -	\$ 216,000	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%
Firm Bypass	\$ 886,966	\$ -	\$ 886,966	\$ -	\$ 886,966	\$ -	\$ -	\$ -	\$ 886,966	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%
Total	\$ 587,769,999	\$ -	\$ 587,769,999	\$ 35,489,143	\$ 623,259,142	\$ 7,329,187	\$ 11,912,629	\$ 5,850,756	\$ 598,166,570	\$ 10,396,571	\$ 25,092,572	\$ 35,489,143	1.77%	4.27%	6.04%

RATE YEAR 2													Percent Increase		
Service Class	Delivery @ RY1 Rates	Deficiency/ (Surplus)	Realigned RY2 @ Current Rates	RY2 Increase	Total Revenue	Supply	C&C	B&P	Total Delivery Rev	Delivery Increase	Competitive Charges	Bill Impact	Delivery	Competitive	Bill
SC 1	\$ 125,510,544	\$ -	\$ 125,510,544	\$ 13,623,645	\$ 144,088,563	\$ 460,169	\$ 823,723	\$ 3,670,483	\$ 139,134,189	\$ 13,623,645	\$ 6,876	\$ 13,630,521	10.85%	0.01%	10.86%
SC 2 R1 - Non Heat	\$ 67,856,576	\$ -	\$ 67,856,576	\$ 7,365,548	\$ 77,373,972	\$ 744,083	\$ 1,022,614	\$ 385,151	\$ 75,222,124	\$ 7,365,548	\$ 81,350	\$ 7,446,898	10.85%	0.12%	10.97%
SC 2 R1 - NH DG	\$ 148,000	\$ -	\$ 148,000	\$ 16,065	\$ 167,214	\$ 1,623	\$ 1,526	\$ -	\$ 164,065	\$ 16,065	\$ 69	\$ 16,134	10.85%	0.05%	10.90%
SC 2 R2 - Heat	\$ 114,605,511	\$ -	\$ 114,605,511	\$ 12,439,950	\$ 130,526,016	\$ 1,341,409	\$ 1,769,603	\$ 369,543	\$ 127,045,461	\$ 12,439,950	\$ 200,236	\$ 12,640,186	10.85%	0.17%	11.03%
SC 3	\$ 294,720,959	\$ -	\$ 294,720,959	\$ 31,990,729	\$ 342,345,870	\$ 5,211,010	\$ 8,994,849	\$ 1,428,323	\$ 326,711,688	\$ 31,990,729	\$ 853,947	\$ 32,844,676	10.85%	0.29%	11.14%
SC 13	\$ 284,284	\$ -	\$ 284,284	\$ 30,858	\$ 328,878	\$ 4,089	\$ 4,416	\$ 5,231	\$ 315,142	\$ 30,858	\$ 2,793	\$ 33,651	10.85%	0.98%	11.84%
Subtotal	\$ 603,125,874	\$ -	\$ 603,125,874	\$ 65,466,795	\$ 694,830,513	\$ 7,762,381	\$ 12,616,731	\$ 5,858,731	\$ 668,592,669	\$ 65,466,795	\$ 1,145,271	\$ 66,612,066	10.85%	0.19%	11.04%
SC 14	\$ 216,000	\$ -	\$ 216,000	\$ -	\$ 216,000	\$ -	\$ -	\$ -	\$ 216,000	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%
Firm Bypass	\$ 886,966	\$ -	\$ 886,966	\$ -	\$ 886,966	\$ -	\$ -	\$ -	\$ 886,966	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%
Total	\$ 604,228,840	\$ -	\$ 604,228,840	\$ 65,466,795	\$ 695,933,479	\$ 7,762,381	\$ 12,616,731	\$ 5,858,731	\$ 669,695,635	\$ 65,466,795	\$ 1,145,271	\$ 66,612,066	10.83%	0.19%	11.02%

RATE YEAR 3													Percent Increase		
Service Class	Delivery @ RY2 Rates	Deficiency/ (Surplus)	Realigned RY3 @ Current Rates	RY3 Increase	Total Revenue	Supply	C&C	B&P	Total Delivery Rev	Delivery Increase	Competitive Charges	Bill Impact	Delivery	Competitive	Bill
SC 1	\$ 138,321,992	\$ -	\$ 138,321,992	\$ 13,181,037	\$ 156,483,438	\$ 475,942	\$ 854,656	\$ 3,649,813	\$ 151,503,029	\$ 13,181,037	\$ 26,036	\$ 13,207,073	9.53%	0.02%	9.55%
SC 2 R1 - Non Heat	\$ 75,901,513	\$ -	\$ 75,901,513	\$ 7,232,839	\$ 85,396,013	\$ 787,491	\$ 1,086,062	\$ 388,108	\$ 83,134,352	\$ 7,232,839	\$ 109,813	\$ 7,342,652	9.53%	0.14%	9.67%
SC 2 R1 - NH DG	\$ 148,225	\$ -	\$ 148,225	\$ 14,125	\$ 165,334	\$ 1,538	\$ 1,446	\$ -	\$ 162,350	\$ 14,125	\$ (165)	\$ 13,960	9.53%	-0.11%	9.42%
SC 2 R2 - Heat	\$ 130,235,742	\$ -	\$ 130,235,742	\$ 12,410,479	\$ 146,368,517	\$ 1,443,775	\$ 1,901,475	\$ 377,046	\$ 142,646,221	\$ 12,410,479	\$ 241,741	\$ 12,652,220	9.53%	0.19%	9.71%
SC 3	\$ 330,564,854	\$ -	\$ 330,564,854	\$ 31,500,324	\$ 378,755,151	\$ 5,592,643	\$ 9,651,950	\$ 1,445,380	\$ 362,065,178	\$ 31,500,324	\$ 1,055,791	\$ 32,556,115	9.53%	0.32%	9.85%
SC 13	\$ 383,040	\$ -	\$ 383,040	\$ 36,501	\$ 434,225	\$ 4,940	\$ 5,256	\$ 4,488	\$ 419,541	\$ 36,501	\$ 948	\$ 37,449	9.53%	0.25%	9.78%
Subtotal	\$ 675,555,366	\$ -	\$ 675,555,366	\$ 64,375,305	\$ 767,602,678	\$ 8,306,328	\$ 13,500,845	\$ 5,864,835	\$ 739,930,671	\$ 64,375,305	\$ 1,434,164	\$ 65,809,469	9.53%	0.21%	9.74%
SC 14	\$ 216,000	\$ -	\$ 216,000	\$ -	\$ 216,000	\$ -	\$ -	\$ -	\$ 216,000	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%
Firm Bypass	\$ 886,966	\$ -	\$ 886,966	\$ -	\$ 886,966	\$ -	\$ -	\$ -	\$ 886,966	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%
Total	\$ 676,658,332	\$ -	\$ 676,658,332	\$ 64,375,305	\$ 768,705,644	\$ 8,306,328	\$ 13,500,845	\$ 5,864,835	\$ 741,033,637	\$ 64,375,305	\$ 1,434,164	\$ 65,809,469	9.51%	0.21%	9.73%

Appendix D

Table 4

BILLING AND PAYMENT PROCESSING CHARGES

A. Single Service (Gas only) accounts BPP charges and credits

	Full Service Single Bill	Retail Choice Utility Single Bill (POR)	Retail Choice Two Bills	Retail Choice ESCO Single Bill
Gas Customer	\$0.94	\$0.00	\$0.94	\$0.00
Gas ESCO	\$0.00	\$0.94	\$0.00	\$0.00

B. Dual Service (Gas and Electric) BPP charges and credits for accounts served by Single ESCO (one ESCO for both Gas and Electric)

	Electric Service Type	Gas Full Service Single Bill	Gas Retail Choice Utility Single Bill (POR)	Gas Retail Choice Two Bills	Gas Retail Choice ESCO Single Bill
Gas Customer	Electric Full Service Single Bill	\$0.47	\$0.00	\$0.47	\$0.00
Gas ESCO	Electric Full Service Single Bill	\$0.00	\$0.47	\$0.00	\$0.00
Gas Customer	Electric Retail Choice Utility Single Bill (POR)	\$0.47	\$0.00	\$0.47	N/A
Gas ESCO	Electric Retail Choice Utility Single Bill (POR)	\$0.00	\$0.47	\$0.00	N/A
Gas Customer	Electric Retail Choice Two Bill	\$0.47	\$0.00	\$0.47	N/A
Gas ESCO	Electric Retail Choice Two Bill	\$0.00	\$0.47	\$0.00	N/A
Gas Customer	Electric Retail Choice ESCO Single Bill	\$0.00	N/A	N/A	\$0.00
Gas ESCO	Electric Retail Choice ESCO Single Bill	\$0.00	N/A	N/A	\$0.00

C. Dual Service (Gas and Electric) BPP charges and credits for accounts served by Two ESCO's (one ESCO for Gas and another ESCO for Electric)

	Electric Service Type	Gas Full Service Single Bill	Gas Retail Choice Utility Single Bill (POR)	Gas Retail Choice Two Bills	Gas Retail Choice ESCO Single Bill
Gas Customer	Electric Full Service Single Bill	\$0.47	\$0.00	\$0.47	\$0.00
Gas ESCO	Electric Full Service Single Bill	\$0.00	\$0.47	\$0.00	\$0.00
Gas Customer	Electric Retail Choice Utility Single Bill (POR)	\$0.47	\$0.00	\$0.47	N/A
Gas ESCO	Electric Retail Choice Utility Single Bill (POR)	\$0.00	\$0.47	\$0.00	N/A
Gas Customer	Electric Retail Choice Two Bill	\$0.47	\$0.00	\$0.47	\$0.00
Gas ESCO	Electric Retail Choice Two Bill	\$0.00	\$0.47	\$0.00	\$0.00
Gas Customer	Electric Retail Choice ESCO Single Bill	\$0.00	N/A	\$0.00	N/A
Gas ESCO	Electric Retail Choice ESCO Single Bill	\$0.00	N/A	\$0.00	N/A

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF PROPOSED GAS RATES
FOR RATE YEARS BEGINNING OCTOBER 1, 2007, OCTOBER 1, 2008 AND OCTOBER 1, 2009

	RATE YEAR 1			RATE YEAR 2			RATE YEAR 3		
<u>SC 1 and SC 9 Rate (A1)</u>									
First 3 Therms (or less)	\$	13.17		\$	14.34		\$	15.28	
Over 3 Therms		\$ 0.5597	per therm		\$ 0.6898	per therm		\$ 0.8716	per therm
<u>SC 1 Low Income</u>									
First 3 Therms (or less)	\$	13.17		\$	14.34		\$	15.28	
Over 3 Therms		\$ 0.3568	per therm		\$ 0.4869	per therm		\$ 0.6687	per therm
<u>SC 2 Rate 1 and SC 9 Rate (A2)</u>									
First 3 Therms (or less)	\$	13.24		\$	19.79		\$	20.05	
Next 87 Therms		\$ 0.5438	per therm		\$ 0.5580	per therm		\$ 0.5971	per therm
Next 2,910 Therms		\$ 0.3009	per therm		\$ 0.3161	per therm		\$ 0.3579	per therm
Over 3,000 Therms		\$ 0.2072	per therm		\$ 0.2177	per therm		\$ 0.2465	per therm
<u>SC 2 Rate II and SC 9 Rate (A4)</u>									
First 3 Therms (or less)	\$	12.57		\$	19.52		\$	20.06	
Next 87 Therms		\$ 0.5438	per therm		\$ 0.5681	per therm		\$ 0.6074	per therm
Next 2,910 Therms		\$ 0.3563	per therm		\$ 0.3832	per therm		\$ 0.4267	per therm
Over 3,000 Therms		\$ 0.2422	per therm		\$ 0.2605	per therm		\$ 0.2901	per therm
<u>SC 2 Rate 1 and SC 9 Rate (A7) (A/C)</u>									
First 1,200 Therms		\$ 0.1942	per therm		\$ 0.1942	per therm		\$ 0.1942	per therm
Over 1,200 Therms		\$ 0.1662	per therm		\$ 0.1662	per therm		\$ 0.1662	per therm
<u>SC 2 Rate 1 Riders G & I and SC 9 Rate (A3)</u>									
First 3 Therms (or less)	\$	13.24		\$	19.79		\$	20.05	
Next 87 Therms		\$ 0.5438	per therm		\$ 0.5580	per therm		\$ 0.5971	per therm
Next 160 Therms		\$ 0.3009	per therm		\$ 0.3161	per therm		\$ 0.3579	per therm
Next 2,750 Therms		\$ 0.1973	per therm		\$ 0.2073	per therm		\$ 0.2347	per therm
Over 3,000 Therms		\$ 0.1036	per therm		\$ 0.1089	per therm		\$ 0.1233	per therm
<u>SC 2 Rate II Riders G & I and SC 9 Rate (A5)</u>									
First 3 Therms (or less)	\$	12.57		\$	19.52		\$	20.06	
Next 87 Therms		\$ 0.5438	per therm		\$ 0.5681	per therm		\$ 0.6074	per therm
Next 160 Therms		\$ 0.3563	per therm		\$ 0.3832	per therm		\$ 0.4267	per therm
Next 2,750 Therms		\$ 0.2352	per therm		\$ 0.2530	per therm		\$ 0.2817	per therm
Over 3,000 Therms		\$ 0.1211	per therm		\$ 0.1303	per therm		\$ 0.1451	per therm
<u>SC 3 and SC 9 Rate (A6)</u>									
First 3 Therms (or less)	\$	13.21		\$	15.38		\$	15.38	
Next 87 Therms		\$ 0.5443	per therm		\$ 0.5863	per therm		\$ 0.6379	per therm
Next 2,910 Therms		\$ 0.3915	per therm		\$ 0.4335	per therm		\$ 0.4851	per therm
Over 3,000 Therms		\$ 0.3126	per therm		\$ 0.3546	per therm		\$ 0.4062	per therm
<u>SC 3 Low Income</u>									
First 3 Therms (or less)	\$	13.17		\$	14.34		\$	15.28	
Next 87 Therms		\$ 0.3414	per therm		\$ 0.3834	per therm		\$ 0.4350	per therm
Next 2,910 Therms		\$ 0.3915	per therm		\$ 0.4335	per therm		\$ 0.4851	per therm
Over 3,000 Therms		\$ 0.3126	per therm		\$ 0.3546	per therm		\$ 0.4062	per therm
<u>SC 3 and SC 9 Rate (A7) (A/C)</u>									
First 1,200 Therms		\$ 0.1942	per therm		\$ 0.1942	per therm		\$ 0.1942	per therm
Over 1,200 Therms		\$ 0.1662	per therm		\$ 0.1662	per therm		\$ 0.1662	per therm
<u>SC 13 and SC 9 Rate (A9)</u>									
First 3 Therms (or less)	\$	22.70		\$	33.93		\$	34.37	
Next 1,197 Therms		\$ 0.1942	per therm		\$ 0.1942	per therm		\$ 0.1942	per therm
Over 1,200 Therms		\$ 0.1662	per therm		\$ 0.1662	per therm		\$ 0.1662	per therm
<u>SC 2 Rates 1 and II - Rider H</u>									
First 3 Therms (or less) <0.25 MW or less	\$	105.84		\$	116.85		\$	127.55	
First 3 Therms (or less) 0.25> & <= 1 MW	\$	144.52		\$	159.55		\$	174.15	
First 3 Therms (or less) 1 MW> & <= 3 MW	\$	288.02		\$	317.97		\$	347.08	
First 3 Therms (or less) 3 MW> & < 5 MW	\$	383.68		\$	423.59		\$	462.37	
Over 3 Therms Summer	\$	0.1279	per therm	\$	0.1412	per therm	\$	0.1541	per therm
Over 3 Therms Winter	\$	0.1599	per therm	\$	0.1765	per therm	\$	0.1927	per therm
First 3 Therms (or less) 5MW> and < 50 MW	\$	58.01		\$	64.04		\$	69.91	
Contract Demand Charge Per Therm	\$	22.12		\$	24.42		\$	26.65	
Over 3 Therms Summer	\$	0.0255	per therm	\$	0.0282	per therm	\$	0.0308	per therm
Over 3 Therms Winter	\$	0.0321	per therm	\$	0.0354	per therm	\$	0.0386	per therm
<u>SC 1 - Rider J</u>									
First 3 Therms (or less)	\$	13.43		\$	14.83		\$	16.19	
Over 3 Therms	\$	0.2168	per therm	\$	0.2394	per therm	\$	0.2613	per therm
<u>SC 3 - Rider J - < 4 Dwelling Units</u>									
First 3 Therms (or less)	\$	25.38		\$	28.02		\$	30.59	
Over 3 Therms	\$	0.2168	per therm	\$	0.2394	per therm	\$	0.2613	per therm
<u>SC 3 - Rider J - >= 4 Dwelling Units</u>									
Summer		Winter		Summer		Winter	Summer		Winter
First 3 Therms (or less) < 50 KW	\$	28.71	\$ 28.71	\$	31.70	\$ 31.70	\$	34.60	\$ 34.60
First 3 Therms (or less) 50 KW> & <= 250 KW	\$	53.14	\$ 53.14	\$	58.66	\$ 58.66	\$	64.03	\$ 64.03
First 3 Therms (or less) 250 KW>	\$	111.15	\$ 111.15	\$	122.71	\$ 122.71	\$	133.94	\$ 133.94
Next 87 Therms	\$	0.3419	0.3903 per therm	\$	0.3775	0.4309 per therm	\$	0.4121	0.4703 per therm
Next 2,910 Therms	\$	0.2019	0.2324 per therm	\$	0.2229	0.2566 per therm	\$	0.2433	0.2801 per therm
Over 3,000 Therms	\$	0.1297	0.1599 per therm	\$	0.1432	0.1765 per therm	\$	0.1563	0.1927 per therm

Appendix L
(Updated)

Revenue Per Customer (RPC) Factors

	Column (1)	Column (2)	Column (3)	Column (4)
	Rate Year Pure Base Revenue	Rate Year Total Number of Bills	Average Number of Customers	RPC Factors *
Groups			Col (2) / 12	Col (1) / Col (3)
RY 1				
<i>SC 2 Heat</i>	\$ 111,138,278	730,228	60,852	\$ 1,826.37
<i>SC 2 Non-Heat</i>	\$ 66,934,328	724,355	60,363	\$ 1,108.86
<i>SC 3 (1 - 4 DU's)</i>	\$ 190,244,222	2,835,987	236,332	\$ 804.99
<i>SC 3 (> 4 DU's)</i>	\$ 97,237,452	172,461	14,372	\$ 6,765.76
RY 2 *				
<i>SC 2 Heat</i>	\$ 126,399,965	748,541	62,378	\$ 2,026.35
<i>SC 2 Non-Heat</i>	\$ 74,890,164	731,280	60,940	\$ 1,228.92
<i>SC 3 (1 - 4 DU's)</i>	\$ 212,866,641	2,871,899	239,325	\$ 889.45
<i>SC 3 (> 4 DU's)</i>	\$ 109,630,906	174,633	14,553	\$ 7,533.22
RY 3 *				
<i>SC 2 Heat</i>	\$ 141,928,365	766,856	63,905	\$ 2,220.93
<i>SC 2 Non-Heat</i>	\$ 82,812,985	738,205	61,517	\$ 1,346.18
<i>SC 3 (1 - 4 DU's)</i>	\$ 232,916,269	2,907,810	242,318	\$ 961.20
<i>SC 3 (> 4 DU's)</i>	\$ 124,404,553	176,806	14,734	\$ 8,443.37

* Assuming continuation of RPC method for Rate Years 2 and 3
DU's = Dwelling Units