

January 25, 2005

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

Re: Consolidated Billing - Customer Credits and Marketer Charges Applicable to Retail Access

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") 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 an effective date of May 1, 2005.

The specific tariff leaves being revised are identified below:

Leaf 315.2, Revision 1
Superseding Leaf 315.2, Revision 0

Leaf 397.3, Revision 3
Superseding Leaf 397.3, Revision 2

Reason for the Proposed Changes

This filing is being made to recognize changes to the electric tariffs that are being filed today in the pending unbundling and electric rate case proceedings, i.e., Case 00-M-0504 and Case 04-E-0572, respectively, that impact the implementation of the current gas tariff provisions governing billing credits and billing charges associated with consolidated bills.

Summary of Proposed Changes

As part of the electric filing, the Company has proposed to increase the existing back-out credit for billing and payment processing applicable to a retail access customer receiving a single electricity bill that combines the Company's charges and an ESCO's

electric commodity charges (“consolidated bill”) from \$0.65 to \$0.94 per monthly billing cycle. A corresponding change to the charge to an electric ESCO whose customer receives a consolidated bill from the Company is also being proposed.

The Company’s current gas rate agreement provides for the existing \$0.65 consolidated billing credit and corresponding charge to a Marketer for providing utility consolidated billing to continue for the three-year term of the gas rate plan, and defers implementation of the Commission’s August 25, 2004 Statement of Policy on Unbundling and Order Directing Tariff Filings for the Company’s gas service until after the expiration of the three-year plan. Accordingly, the Company needs to amend its gas tariff to properly recognize the application of the electric and gas consolidated billing credits and corresponding Marketer charges where a customer is purchasing both electric and gas commodity from an ESCO/Marketer.

The electric filing proposes that on a combined electric and gas account where there are different electric and gas ESCOs or where one ESCO provides competitive supply for both electric and gas, the proposed customer credit be \$0.94 per account per monthly billing cycle and that the electric portion of this credit be \$0.94 less the credit applicable to the gas service under the gas rate schedule. That is, if a customer is purchasing only gas commodity (and not electric commodity) from an ESCO/Marketer and receives consolidated billing services from Con Edison, the customer would continue to receive the \$0.65 credit and the Marketer would continue to be charged the \$0.65 billing services charge under the current gas rate schedule. However, if the ESCO/Marketer obtains consolidated billing services for both electricity and gas commodity, the customer would receive, in aggregate, a \$0.94 billing credit and the ESCO/Marketer would be charged the \$0.94 billing services charge established by the electric filing. The proposed changes to the gas tariff explain how these credits and charges will be allocated between the Company’s gas and electric services, consistent with the aforementioned electric filing.

Specifically, the Company proposes to revise Service Classification (“SC”) No. 9 of the Schedule to recognize that on a combined electric and gas service firm transportation account where both services are competitively supplied, the consolidated billing credit applicable to the firm gas transportation service will be \$0.33 per monthly billing cycle and the credit applicable to electric service will be the balance of the \$0.94 credit otherwise applicable to an electric-only consolidated bill (i.e., \$0.61). Similarly, on a combined electric and gas account where there are different gas and electric Marketers/ESCOs or where one Marketer/ESCO provides competitive supply for both gas and electric, the SC No. 20 Marketer/ESCO charge applicable to gas service will be \$0.33 per account per monthly billing cycle and the electric ESCO charge would be \$0.61.

Notices

Enclosed is a proposed form of Notice of Proposed Rule Making for publication in the State Register pursuant to the State Administrative Procedure Act.

Respectfully submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By: _____
Joel H. Charkow
Director, Rate Engineering