

September 2, 2003

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

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

Re: Case Nos. 99-M-0631 and 03-M-0117

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 Service Classification No. 20 of the Company's Schedule for Gas Service, P.S.C. No. 9 – Gas.¹

Appendix A identifies the specific leaves being revised. The tariff leaves are issued as of September 2, 2003, and have an effective date of September 3, 2003.

Reason for Filing

This filing is being made pursuant to Ordering Clause 3 of the Commission's Order Relating to Implementation of Chapter 686 of the Laws of 2003 and Pro-ration of Consolidated Bills (the "Order"), issued and effective June 20, 2003. The ordering clause directs utilities to file tariff revisions and any procedures necessary to implement the requirements of the Order, within 75 days from the date of the Order.

Summary of Tariff Changes

Tariff changes are being filed to the Service Classification No. ("SC") 20 tariff applicable to Marketers serving SC No. 9 transportation customers as described below.

¹ A separate filing is being made to make changes to the Company's Schedule for Retail Access, P.S.C. No. 2 – Retail Access, effective September 3, 2003.

Charges for Suspension of Service and Charges for Ending Suspension of Service

The Company will assess charges to Marketers who request suspension of gas service to directly metered residential customers.² Charges will differ depending on whether a Marketer requests that service be disconnected at the meter for gas only or for electricity and gas. Due to the nature of gas service, the Company is not proposing to accept suspensions of gas service in the street.

The Company will charge \$29 to a Marketer for a Marketer-requested visit to the premises to suspend gas service, if the visit results in disconnection of service at the meter, no access, or full payment. This \$29 charge is the same as the tariffed electricity “collection charge,” which the Company currently charges its electric customers for a visit to the premises to disconnect service at the electric meter for nonpayment. If the visit to the premises is made to suspend both the electricity and gas services, and the visit results in disconnection of both services at the meter, the charge will be \$37.50. The Company developed the \$37.50 charge based on the incremental current costs of disconnecting two services instead of one, and it reflects synergies related to the disconnection of both services during the same visit. The higher charge will not be imposed where the visit to suspend both the electricity and gas services results in no access to the meter or receipt of full payment. If the Company does not have access to the meter, the Company will advise the Marketer, which can then decide whether to issue a new request for suspension of service.

The Company will charge \$66 to reconnect suspended gas service to a residential non-heating customer and \$248 to reconnect suspended gas service to a residential heating customer. These charges are reflective of current average costs associated with performing these services. If the company is unable to gain access to the meter to end the suspension of service, the charges will be \$29 for a residential non-heating customer and \$45 for a residential heating customer. The \$29 charge is the same as the suspension charge, and the \$45 charge is reflective of current average costs associated with having gas personnel visit the premises (without the added activity of reconnecting suspended service). If the Company does not have access to the meter, the Company will advise the Marketer, which can issue a new request to end the service suspension after it has obtained and provided access information.

If the Company visits the premises to disconnect service for arrears owed both to the Company and to the Marketer or to reconnect such service, the Company will assess collection and reconnection-related charges only to the Marketer. Charges will not be assessed to the customer to avoid duplicate assessment charges.

² The Company notes that it is not proposing charges for providing Marketers with field services other than physical disconnection and reconnection. Marketers are responsible for satisfying the HEFPA requirements for contacts with residential customers and occupants of two-family and multiple-family buildings in connection with termination of service, whether such termination is subject to HEFPA or to the Commission’s non-residential service rules.

Charge for Calculating Bundled Bills

The Company will charge \$1.80 per bill per service to calculate a bundled firm residential bill (i.e., the bill that would be applicable to the customer if the customer purchased supply and delivery service from the Company under one of its firm sales service classifications) at the request of a Marketer via electronic mail.

The Company developed the \$1.80 charge using current costs, assuming that the calculation will take a Company employee approximately two minutes to perform the calculation and send the data to a Marketer electronically³. If a Marketer calculates bundled bills without the Company's assistance, using our self-service bill calculation facility (under development), there will be no charge to the Marketer.

Other Tariff Changes

Additional tariff changes have been made as follows:

- A definition of "suspend service" or "suspension of service" has been added;
- The tariff indicates that a Marketer may request the Company to suspend service to a residential customer, as defined under HEFPA, who receives consolidated bills; and
- The tariff states that a Marketer providing services to residential customers must comply with Commission orders implementing Chapter 686 of the Laws of 2002, and that by submitting a request for suspension in the authorized form, the Marketer represents that it has complied with all statutory and regulatory requirements for termination and suspension.

Development of Charges

In the Unbundling Track of the Competitive Markets Proceeding, the Company did not develop specific costs associated with activities related to disconnection and reconnection of service and calculation of bundled bills. Categories were significantly broader, such as, "credit and collections" and "customer care." As a result, the Company was unable to develop charges to Marketers in this proceeding using embedded costs currently under review in the Competitive Markets Proceeding, and the Company's proposals in the Unbundling Track remain unchanged by this filing.

The proposed charges for suspensions of electricity and gas services, reconnections of suspended gas service and calculation of bundled bills are based on our current average costs of performing the activities. For the charge associated with suspension visits for gas only service disconnections and the reconnection charge

³ The charge would have been higher if the Company accepted requests by phone, because of the additional time required to process and respond to the request.

applicable where the Company has no access to a non-heating meter, the Company proposes to charge marketers the same amount as the existing tariffed charge in the Company's Schedule for Electricity Service, P.S.C. No. 9 – Electricity, applicable to customers for an activity that is the same or similar to the activity that will be performed at a Marketer's request.⁴

Changes to be Made Upon Commission Action on Requests for Clarification

Ordering Clause 3 of the Order requires utilities to file their procedures for implementing the Order's requirements. The Company is unable to develop detailed procedures for implementing Chapter 686 or the Commission's order on proration at this time. Many aspects of the impact of Chapter 686 on HEFPA remain unclear as evidenced by the petitions for clarification filed by parties in Cases 03-M-0117 and 99-M-0631 and the extensive discussions in all-parties' meetings on proposed revisions to the Commission's HEFPA regulations and on multiple-dwelling issues. Furthermore, the Commission has postponed the effective date of proration, required under Ordering Clause 4, pending the issuance of a clarifying order.

Clarification from the Commission, not only on proration, but also on the other issues raised by the parties as well as the adoption of regulations, are essential before utility-specific procedures can be developed. This will avoid an unnecessary investment of time and money in preparing procedures, modifying systems, and training employees to carry out those procedures that may later be modified by the Commission's adoption of new regulations or other regulatory action.

When the requirements of Chapter 686 have been clarified and the HEFPA regulations modified, the procedures for implementation can be developed and implemented. If additional filings are required, the Company will make them at that time along with conforming changes to its Sales and Transportation Operating Procedure.

⁴ We calculated what the charges would have been at current costs, and those amounts are higher than the tariffed amounts currently charged to the Company's electricity customers -- in some cases, significantly higher. We, therefore, propose to charge Marketers the tariffed amounts to provide for consistency in charges applicable to customers and Marketers. At the appropriate time, we will propose an increase to these charges.

Conclusion and Notice

In compliance with Ordering Clause 3, tariff changes are filed to become effective, on a temporary basis, on September 3, 2003. Ordering Clause 3 waived newspaper publication. A copy of this filing will be mailed by regular mail to all parties to Case Nos. 99-M-0631 and 03-M-0117.

Respectfully submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

BY: _____
Joel H. Charkow

Enclosures

APPENDIX A

P.S.C. No. 9 – Gas

Leaf 363
Revision 5
Superseding Revision 4

Leaf 364
Revision 2
Superseding Revision 0

Leaf 365
Revision 4
Superseding Revision 3

Leaf 398
Original Leaf

Leaf 399
Original Leaf