

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

February 18, 2004

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

**Re: Case Nos. 98-M-1343, 99-M-0631 and 03-M-0017**

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 the Company's Schedule for Gas Service, P.S.C. No. 9 – Gas.<sup>1</sup>

The specific leaves being revised are identified in Attachment A. The tariff leaves bear an effective date of February 19, 2004.

**Reason for Filing**

This filing is being made pursuant to the Commission's Order Adopting Revised Uniform Business Practices (the "November Order") issued and effective November 21, 2003, in Case No. 98-M-1343, and as further amended by the Order on Petitions for Rehearing and Clarification (the "December 5 Order"), issued and effective December 5, 2003, and the Order Granting Extensions and Denying Petitions in Part (the "December 19 Order"), issued and effective December 19, 2003, in Case Nos. 98-M-1343, 99-M-0631, and 03-M-0117, concerning retail access business rules, customer billing arrangements, and implementation of Chapter 686 of the Laws of 2002.

Ordering Clause 2 of the December 19 Order directed the utilities to file revisions to their tariffs and operating procedures as necessary to incorporate the Uniform Business Practices ("UBP"), as adopted in the Commission's November Order, and as further amended by the December 5 Order. Ordering Clause 3 of the December 19 Order

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<sup>1</sup> 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 February 19, 2004, applicable to electric service.

required the utilities to make further changes to their tariffs and operating procedures necessary to implement the December 5 Order.<sup>2</sup>

### **Summary of Tariff Changes**

Changes to the Company's Schedule for Gas Service, P.S.C. No. 9 – Gas, were made as described below:

- (a) In compliance with the Commission's December 19 and November Orders, the UBP, as adopted by the Commission in its November Order and as further amended by the December 5 Order, was added as an addendum to the Company's tariff ("Addendum-UBP"). In addition, "Addendum-UBP" was added to its Table of Contents Page, as well as the heading "Individually Negotiated Contracts" to reflect the contracts that are currently addended to the tariff but not now noted (Leaf 8).
- (b) The Definitions and Abbreviation of Terms used section was modified as follows: the term "Uniform Business Practices" and the abbreviation "UBP" were added to reference the Uniform Business Practices adopted by the Commission in Case 98-M-1343, as may be amended from time to time by the Commission, and as set out in Addendum-UBP to the Rate Schedule (Leaf No. 15);
- (c) The following sections of the General Information section of the Gas Schedule were revised to make reference to the UBP with respect to Marketers, Direct Customers and transportation Customers, as applicable: Non-Residential Security Deposits (Leaf 22); Notices to and from the Company (Leaf 77); and Grounds for Termination, Withholding or Suspension of Service (Leaves 81-82).
- (d) Text describing the scope of historical usage and billing information and credit information that may be provided to a Marketer was eliminated. Since that information is specified in detail under Section 4 of the UBP, the tariff now indicates that such information will be provided in accordance with the UBP (Leaf No. 118).
- (e) The following changes have been made to the Service Classification ("SC) No. 9 transportation tariff:
  - 1. The definition of "Direct Customer" was modified to indicate that a Direct Customer must comply with applicable provisions of the UBP (Leaf 261.1);
  - 2. The definition of "Billing Agency" was modified to note that a Marketer acting as a billing agent must remit payments to the Company for its services

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<sup>2</sup> As required by Ordering Clause 1 of the December 19 Order, a filing was made on February 2, 2004, making a tariff change that became effective on February 3, 2004, on a temporary basis, to incorporate the Commission's requirements on proration of payments made toward consolidated bills.

in accordance with the UBP and as otherwise provided in a Billing Services Agreement (Leaf 261.1).

3. The Commission's November 2003 Order directed that EDI be used for approved transactions within 90 days after the date of that order (i.e., by February 19, 2004). As a result, tariff provisions relating to consolidated billing and payment processing services in SC No. 9, as well as SC No. 20, were changed to reflect the fact that EDI is operational for consolidated bills issued by the Company (Leaves No. 315.1 and 397.2). Billing Agency will continue for bill-ready consolidated bills issued by a Marketer until EDI is operational for Marketer consolidated billing. Once Commission-approved EDI transaction sets are implemented for bill-ready Marketer consolidated billing, the Company will terminate its Billing Agency program. Until the Billing Agency program is terminated, a Marketer failing to bill its customers on a timely basis will be precluded from acting as Billing Agent (Leaves No. 261.1 and 397.2).
  4. A new provision has been added to the Operational Matters section designated as "Termination and Suspension of Transportation Service" (Leaf 306). Specifically, it states that a Marketer may not physically disconnect a firm transportation customer's service. A Marketer may request that the Company suspend transportation service to a residential customer or two-family dwelling receiving consolidated billing or a multiple dwelling for non-payment of its commodity charges. Marketers will also be permitted to request an end to the suspension of service. However, if the Marketer does not request an end to suspension within one year after it terminated commodity service to the Customer, the Company will restore transportation service at the Customer's request provided the Customer meets tariff and the Home Energy Fair Practices Act ("HEFPA") requirements for service restoration. Similar language has been added to the S.C No. 20 tariff applicable to Marketers in the form of Miscellaneous Provision Q redesignated as "Discontinuance and Suspension of Transportation Service to a Customer" (Leaf 397.3). Text was also added to this provision indicating that the Company may disconnect transportation service to a Customer in accordance with the General Information Section of the Rate Schedule. The existing language contained in Miscellaneous Provision Q covering marketer deposits and prepayment requirements was moved to the "Availability of Service" section of SC 20 and modified to make it applicable to only small-non-residential customers as explained in (f) below (Leaf 364). Marketer requirements pertaining to residential deposits are contained in HEFPA.
- (f) The following changes have made to the SC No. 20 Marketer tariff:
1. The "Availability of Service" section has been amended to clarify that a Marketer must comply with the UBP for all Customers its serves, and it must provide evidence to the Company of creditworthiness before the Marketer may require deposits or prepayments from small non-residential customers,

- pursuant to Case 00-M-0504. In addition, references have been added that permit the Company to cease to provide service to a Marketer in accordance with the Company's Sales and Transportation Operating Procedures ("Operating Procedures") and for any reason specified in the UBP (Leaf 364).
2. The "Failure to Deliver" provision contained in the Operational Matters' section has been modified to provide that the Company may terminate service to a Marketer for its failure to deliver required quantities in accordance with the Operating Procedures and provisions of the UBP (Leaf 390).
  3. Language contained in Miscellaneous Provision (B) covering credit and security requirements that are duplicated in the UBP have been deleted and replaced with a general reference to the UBP (Leaves 391-393). References to the UBP have also been added to the Terms of Payment provision (Leaf 394) and Miscellaneous Provision J – General Information (Leaf 397).
  4. The designation of Miscellaneous Provision G has been changed from the "Company Rights to Interrupt Service" to "Company's Rights to Interrupt and Terminate Service to Marketers". Text has been added to this provision stating the Company's right to terminate service to a Marketer or Direct Customer for its failure to meet the requirements of the SC No. 20 tariff, Gas Rate Schedule, or the Company's Operating Procedures provided such termination is consistent with the provisions of the of the UBP (Leaf 395).
  5. The designation of Miscellaneous Provision H has been changed from "Notification of Discontinuance of Supply and Marketer Operations" to "Notification of Termination of Supply and Discontinuance of Marketer Operations". Text was added noting that a Marketer intending to terminate gas supply and/or discontinue its operations must comply with the requirements of the UBP, the Company's Operating Procedures, HEFPA and applicable Commission orders (Leaf 395).
  6. Miscellaneous Provision S, which provided for a tariff charge for calculation of full-service bills for a Marketer, was deleted (Leaf 399). This calculation was intended to enable a Marketer to determine the lowest payment amount upon which a Marketer-initiated suspension of service would end.<sup>3</sup> The Company has since determined that its sole calculation of bundled bills would be insufficient to enable a Marketer to know what the Company would have charged the customer had the Customer purchased commodity from the Company. As a result, the Company has set out in the tariff its proposed method for calculating the alternate payment amount to end suspension, as directed by Ordering Clause 2 of the Commission's December 5 Order. The Company will calculate a bundled bill under the applicable sales classification, subtract the amount of the bill calculated under the SC No. 9 Rate Schedule for the same period, and provide the difference to the Marketer. The charge for this service will be \$8.00 per bill per service. The Company will accept Marketer requests by electronic mail only. The

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<sup>3</sup> The tariffed charge, which became effective September 3, 2003, was filed in compliance with page 22 of the Commission's Order Relating to Implementation of Chapter 686 of the Laws of 2003 and Pro-ration of Consolidated Bills, issued and effective June 20, 2003, in Case Nos. 99-M-0631 and 03-M-0017.

Company will cease to provide this service once its self-service bill calculation facility becomes available. The self-service facility will be available to Marketers at no charge.

7. Section 9, paragraph G (12), of the UBP indicates that a distribution utility may charge for excess weight caused by Marketer bill inserts that weigh more than one-half ounce. Text was added to Miscellaneous Provision P, "Consolidated Billing and Payment Processing Services", to indicate that a Marketer will be charged for incremental postage if a Marketer requests that a Company-issued consolidated bill include an insert required by statute, regulation, or Public Service Commission order, and such insert exceeds one-half ounce (Leaf 397.2).
8. Miscellaneous Provision R, concerning fees for suspension of service, has been revised to conform to HEFPA rules that permit a utility to charge a Marketer when it requests suspension of service to residential Customers and two-family dwellings receiving consolidated bills, and to multiple dwellings.

Section 5, paragraph L (1), of the UBP indicates that a distribution utility, upon an ESCO's request, will provide a list of ESCO customers once each calendar quarter and summary data (the number of accounts enrolled with the ESCO and total ESCO sales) once a month and may charge the ESCO for requests made at other times based on fees set forth in its tariff. The Company does not intend to charge a Marketer for such requests on gas accounts since a Marketer can automatically access such data through the Company's Transportation Customer Information System ("TCIS"), and, therefore, is not proposing a charge for providing this information. However, the Company reserves its right to institute such a charge if summary data requests required under the UBP cannot be fully satisfied through use of TCIS.

### **Summary of Changes to the Operating Procedure**

Conforming changes have been made to the Company's Operating Procedure which is also being filed today under separate cover. The recent adoption of the substantially revised UBP and the requirement that the UBP be included in the Company's tariff as an addendum means that much of the Operating Procedure is no longer necessary. Thus, sections related to creditworthiness, customer enrollment procedures, dispute resolution process, and transfers between Marketers, have been substantially reduced or eliminated and reference made to the UBP. Section III of the Operating Procedures, which incorporated the substance of the UBP, has been eliminated in its entirety. Other changes have been made to expressly acknowledge the UBP's role in the retail access program.

Procedural changes relating to Marketer-requested suspension driven by the amendments to Article 2 of the Public Service Law, the HEFPA, are mentioned but not detailed in the revised Operating Procedure. The Company expects that changes in the Commission's regulations, 16 NYCRR Parts 11 and 12, and changes made in the UBP to

reflect HEFPA requirements may require further changes in the Operating Procedure. These HEFPA-related changes will be incorporated when the revised regulations and revisions to the UBP are adopted.

The Operating Procedure has also been revised to reflect the availability of the Company's billing agency option until EDI is operational for Marketer consolidated billing, and the Glossary has been updated to reflect the use of current terminology in definitions related to retail access. Charges for certain services provided to Marketers have been deleted since such charges are set forth in the Company's Rate Schedule.

### **Conclusion and Notice**

In compliance with Ordering Clauses 2 and 3 of the December 19 Order, tariff changes are filed to become effective, on a temporary basis, on February 19, 2004. Ordering Clause 4 of the December 5 Order waived newspaper publication. A copy of this filing will be mailed by regular mail to all parties to Case Nos. 98-M-1343, 99-M-0631 and 03-M-0017.

Sincerely,

Joel H. Charkow  
Director  
Rate Engineering

P.S.C NO. 9 – GAS

Leaf 8  
Revision 1  
Superseding Revision 0

Leaf 15  
Revision 1  
Superseding Revision 0

Leaf 22  
Revision 1  
Superseding Revision 0

Leaf 77  
Revision 1  
Superseding Revision 0

Leaf 81  
Revision 1  
Superseding Revision 0

Leaf 82  
Revision 1  
Superseding Revision 0

Leaf 118  
Revision 5  
Superseding Revision 4

Leaf 256  
Revision 2  
Superseding Revision 1

Leaf 259  
Revision 4  
Superseding Revision 2

Leaf 261.1  
Revision 6  
Superseding Revision 5

Leaf 306  
Revision 1  
Superseding Revision 0

Leaf 315.1  
Revision 3  
Superseding Revision 2

Leaf 362  
Revision 5  
Superseding Revision 3

Leaf 363  
Revision 6  
Superseding Revision 5

Leaf 364  
Revision 3  
Superseding Revision 2

Leaf 390  
Revision 5  
Superseding Revision 4

Leaf 391  
Revision 2  
Superseding Revision 1

Leaf 391.1  
Revision 3  
Superseding Revision 2

Leaf 391.2  
Revision 3  
Superseding Revision 1

Leaf 391.3  
Revision 2  
Superseding Revision 1



Leaf 391.4  
Revision 4  
Superseding Revision 3

Leaf 392  
Revision 2  
Superseding Revision 1

Leaf 393  
Revision 5  
Superseding Revision 3

Leaf 394  
Revision 1  
Superseding Revision 0

Leaf 395  
Revision 3  
Superseding Revision 2

Leaf 397  
Revision 3  
Superseding Revision 2

Leaf 397.2  
Revision 4  
Superseding Revision 3

Leaf 397.3  
Revision 1  
Superseding Revision 0

Leaf 398  
Revision 2  
Superseding Revision 1

Leaf 399  
Revision 1  
Superseding Revision 0