



Consolidated Edison Company
of New York, Inc.
4 Irving Place
New York NY 10003-0987

June 16, 2011

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

**RE: Case 09-M-0311, Temporary Annual Assessment
Pursuant to Public Service Law §18-a(6)**

Dear Secretary Brilling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") is filing with the Public Service Commission (the "Commission") the following Statement of Temporary Assessment Surcharge to its Schedule for Steam Service, P.S.C. No. 4 – Steam, applicable to its customers in the Borough of Manhattan, New York City:

Statement of Temporary State Assessment Surcharge,
TSAS – Statement No. 3 to P.S.C. No. 4 – Steam

The statement has an effective date of July 1, 2011.

Reason for Filing

This Statement is being filed pursuant to the Commission's June 19, 2009 Order in the above-referenced case ("June 2009 Order") and the provision entitled "Temporary State Assessment Surcharge" in General Information Section 5 of the steam tariff. The June 2009 Order and that provision require that the Company file a Statement no less than fifteen days before the start of the period that the §18-a surcharges are to be in effect. In accordance with the tariff provision, the surcharges reflected on the revised statement are designed to collect Public Service Law §18-a amounts required to be collected above the amount in base rates for the State Fiscal Year 2011-2012 (April through March) and include an adjustment for uncollectible expenses and working capital costs. The surcharges also reflects the reconciliation of the State Fiscal Year 2010-2011 Public Service Law §18-a amounts to be recovered with the actual amounts collected under the surcharges that were in effect from July 1, 2010 through June 30, 2011. As also permitted by the June 2009 Order and the Company's tariffs, the Company is maintaining the prior year's unit surcharges for all steam service classes, except for Con Ed Service Classification ("SC") Nos. 1 and 4, since the calculation of the surcharges for the current State Fiscal Year would have resulted in a surcharge below the level of the prior year's surcharges applicable to those classes.

The surcharge amount for the current 2011-2012 State Fiscal Year was allocated to each customer class based on 2010 class revenues inclusive of gross receipts taxes. Reconciliation amounts for State Fiscal Year 2010-2011 were determined by allocating the total of the 2010-2011 actual Public Service Law §18-a payments made by the Company, and working capital and uncollectible expense adjustments based on the actual payments, to each customer class based on 2009 class revenues inclusive of gross receipts taxes. These amounts were compared with the actual class-specific amounts collected under the surcharges that were in effect from July 1, 2010 through June 30, 2011.¹ Any differences have been added to the 2011-2012 State Fiscal Year amounts to determine total amounts recoverable from each customer class.

Surcharge amounts will be collected from SCs 1, 2, and 3 per Mlb; from SC 4 per Mlb/hour of Contract Demand; and from SC 5 per unit in effect under the customer's otherwise applicable SC.

The Statement filed herewith reflects the unit amounts to be collected over the 12 months commencing July 1, 2011.

Respectfully Submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By /s/ Christine Colletti
Christine Colletti
Director
Rate Engineering Department

Enclosures

¹ June 2011 collections have been estimated and will be trued up in next year's Temporary Annual Assessment surcharge. This year's surcharge reflects the true-up of June 2010 collections which were estimated last year.