



Consolidated Edison Company
of New York, Inc.
4 Irving Place
New York NY 10003
www.conEd.com

April 25, 2012

Jaclyn A Brillling, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Statement of Revenue Decoupling Mechanism Adjustment No. 10

Dear Secretary Brillling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or "the Company") is filing today with the New York State Public Service Commission (the "Commission") Statement of Revenue Decoupling Mechanism Adjustment No. 10, effective May 1, 2012 ("Statement 10").

Statement of Revenue Decoupling Mechanism Adjustment No. 10
for Service Classification Nos. 2, 3 and 9
Effective May 1, 2012

Explanation of Filing

Appendix I to the Joint Proposal adopted by the Gas Rates Order in Case 09-G-0795 (the "Joint Proposal"),¹ provides that if, during any Rate Year, the Company projects a large over- or under-collection for the Rate Year, the Company may implement interim surcharges or refunds by customer group, subject to further reconciliation at the end of the Rate Year.

Based on current projections, the Company estimates that the combined annual reconciliation at the end of Rate Year 2 (October 2011 through September 2012) will result in an estimated overall over-collection of \$20.0 million. This estimated over-collection consists of a projected delivery revenue shortfall of \$0.7 million for the SC 2 Non-Heating ("SC 2 NH") group, and excess delivery revenues of \$5.6 million for the SC 2 Heating ("SC 2 H") group, \$2.0 million for the SC 3 1-4 dwelling units ("SC 3 1-4") group, and \$13.1 million for the SC 3 greater than 4 dwelling units ("SC 3 >4") group. As a result, the Company is

¹ Case 09-G-0795, et al., *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 Establishing Three-Year Steam and Gas Rate Plans and Determining East River Repowering Project Cost Allocation Methodology*, (Issued and Effective September 22, 2010).

Honorable Jaclyn A. Brillling
April 25, 2012
Page 2

implementing an interim surcharge of 0.4355¢ per therm for SC 2 NH customers, and interim credits of 1.7797¢ per therm, 0.6046 ¢ per therm, and 4.0028¢ per therm for the SC 2 H, SC 3 1-4, and SC 3 >4 groups, respectively, including Rider G customers in the SC 2 groups and Low Income customers in the SC 3 groups. These interim adjustments are designed to be in effect from May 1, 2012 through April 30, 2013, except that, as provided for in the Joint Proposal and as previously stated, the interim refunds and surcharges will be subject to further reconciliation at the end of Rate Year 2, when actual shortfalls and excesses are known. When added to the RDM adjustments currently in effect for Rate Year 2, the interim adjustments will result in revised credits of 1.0500¢ per therm for SC 2 NH, 2.8878¢ per therm for SC 2 H, 2.9645¢ per therm for SC 3 1-4, and 5.5757¢ per therm for SC 3 >4.

For Rider G and SC 3 Low Income customers, who are subject to RDM adjustments applicable only to Rate Years commencing on or after October 1, 2010, the revised Rate Year 2 RDM credit adjustments are as follows: for SC 2 NH Rider G, 0.7962¢ per therm; for SC 2 H Rider G, 2.7477¢ per therm; for SC 3 1-4 Low Income, 2.3091¢ per therm; and for SC 3 > 4 Low Income 5.8468¢ per therm.

Summary

As shown on Statement 10, interim RDM adjustments have been established for each customer group as described above, and will be collected through eight RDM adjustment factors since, as previously stated certain customers within each group (i.e., Rider G customers included in SC 2 NH and SC 2 H, and Low Income customers included in SC 3), were not part of those groups prior to October 1, 2010. As a result, any adjustments that apply to Rate Years which began prior to October 1, 2010, will not be included in the RDM adjustments for these customers.

Respectfully submitted,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

/S/ Christine Colletti
Director
Rate Engineering Department