



Consolidated Edison Company  
of New York, Inc.  
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April 30, 2012

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

**RE: Case 11-M-0542, Excelsior Jobs Program**

Dear Secretary Brillling:

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) is filing with the New York State Public Service Commission (the “Commission”) an amendment to its Schedule for Gas Service, PSC No. 9 – GAS (“Gas Tariff”), applicable to its customers in the City of New York and the County of Westchester.

The tariff leaves identified below, are issued to become effective on June 1, 2012.

P.S.C. No. 9 – Gas

Leaf 4,	Revision 10,	Superseding Revision 9
Leaf 125,	Revision 3,	Superseding Revision 2
Leaf 126,	Revision 4,	Superseding Revision 3
Leaf 127,	Revision 4,	Superseding Revision 3
Leaf 128,	Revision 4,	Superseding Revision 3
Leaf 129,	Revision 3,	Superseding Revision 2

**Background**

On February 29, 2012, the Company filed tariff changes to add Rider D – Excelsior Jobs Program, to its Gas Tariff (“February Filing”). That filing was made pursuant to the Commission’s Notice to File Proposed Tariff Provisions (“Notice”), issued December 9, 2011, in Case 11-M-0542. The Notice directed the Company to file tariff amendments to conform to

the requirements established by the Excelsior Jobs Program (“EJP”) Act of 2011 (L. 2011, c. 61). The EJP Act permits qualifying businesses to receive tax credits for a period of up to ten years. Customers who qualify for EJP tax credits may also receive a special utility delivery rate at the utility’s incremental cost of providing service (PSL§66 (12-d)). As directed by the Notice, the Company filed its tariff changes to take effect on June 1, 2012.<sup>1</sup>

### **Reason For Filing**

The Company’s February Filing proposed that, for each year up to ten years, a customer will qualify for EJP gas delivery rate reductions for 12 consecutive monthly billing periods if: (a) the Customer submits to the Company, within 90 days of receipt, a copy of its Certificate of Tax Credit (“Tax Certificate”) that Empire State Development (“ESD”) issues to EJP participants to claim tax credits for the taxable year certified on the Certificate of Tax Credit after ESD has verified that the participant has met all eligibility criteria for its premises, or (b) ESD certifies to the Company that it issued a Tax Certificate (“Tax Certification”) for the prior tax year. As a result of discussions between the Staff of the Department of Public Service and CECONY and other New York utilities, Staff has requested that the Company amend its EJP tariff filing to indicate that:

- If the Company does not receive a new Tax Certificate or Tax Certification by the end of the 12-month period, the Company will continue to apply the delivery rate reductions for up to an additional three monthly billing periods (“Grace Period”) to allow time for the Company to receive either a new Tax Certificate or Tax Certification.<sup>2</sup>
- Weather adjustments apply to the Baseline and Incremental Billing Determinants of Existing Customers.

### **Tariff Change Proposed**

To establish the Grace Period, the Company proposes to modify Rider D to indicate that EJP delivery rate reductions will be applied each year for 12 consecutive monthly billing periods starting with the first billing period having a “from” date on or after the Company’s receipt of the initial Tax Certificate or Tax Certification. On the first anniversary of the commencement of delivery rate reductions, and each anniversary thereafter, delivery rate reductions will commence for another 12 monthly billing periods if the Company receives a new Tax Certificate or Tax Certification on or before the anniversary. If a new Tax Certificate or Tax Certification is not received by the anniversary and the Customer received delivery rate reductions in the billing period that ended on the anniversary, the Company will continue to apply the delivery rate reductions for up to an additional three monthly billing periods to allow time for the Company to receive either a new Tax Certificate or Tax Certification. If a new Tax Certificate or Tax Certification is received during the Grace Period, any rate reductions applied during the Grace Period will be counted toward the 12 monthly billing periods that commenced on the

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<sup>1</sup> The Notice directed that tariff changes be filed by February 14, 2012. That date was extended to February 29, 2012, pursuant to the Secretary’s letter of February 14, 2012.

anniversary. If a new Tax Certificate or Tax Certification is not received by the end of the Grace Period, the rate reductions will cease at the end of the Grace Period. If a new Tax Certificate or Tax Certification is received after the end of the Grace Period, the rate reductions will be applied prospectively for the remaining billing periods of the 12 monthly billing periods that commenced on the anniversary.

Should there be a gap of one or more years before the Company receives a new Tax Certificate or Tax Certification, the Customer will be eligible for delivery rate reductions for (a) the 12 monthly billing periods that commence on the current year's anniversary, if the Company receives the new Tax Certificate or Tax Certification on or before the anniversary, or (b) the remaining billing periods of the 12 monthly billing periods that commenced on the current year's anniversary, if the new Tax Certificate or Tax Certification is received after the anniversary.

Because the above tariff changes establish an annual anniversary for the start of the 12 monthly billing periods, the Company has eliminated the provision in Rider D as proposed in the February Filing that the Tax Certificate must be submitted within 90 days of receipt.

Additionally, the Company is amending Rider D to state that the Company will apply weather adjustments to both the Baseline Billing Determinants and Incremental Billing Determinants of existing weather sensitive customers, as defined in the Company's EJP tariff.

### **Conclusion and Notice**

The Company is proposing that the above tariff changes take effect on June 1, 2012, the same date as the tariff changes filed on February 29, 2012. The Company requests waiver of newspaper publication, because the Company published notice of its earlier EJP filing on March 7, 14, 21 and 28, 2012.

Sincerely,

/s/ Christine Colletti  
Director  
Rate Engineering Department