

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

August 11, 2011

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

> Re: Filing by Consolidated Edison Company of New York, Inc. to amend its Gas Tariff to alter and clarify tariff provisions applicable to interruptible customers regarding categories of service within each Priority, and to clarify the eligibility provision for Priority D.

Dear Secretary Brilling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") hereby submits for filing the following tariff leaves reflecting proposed revisions to its Schedule for Gas Service, P.S.C. No. 9 – Gas (the "Gas Tariff").

Leaf 169, Revision 7 Superseding Revision 6 Leaf 274, Revision 8 Superseding Revision 7 Leaf 331, Revision 3 Superseding Revision 2 Leaf 332, Revision 11 Superseding Revision 10

These tariff leaves which the Company is filing electronically today are scheduled to become effective November 20, 2011.

## **Reason for the Filing**

On July 20, 2011, Consolidated Edison Company of New York, Inc. ("the Company) filed tariff leaves with the Public Service Commission (the "Commission") reflecting amendments to its Schedule for Gas Service, P.S.C. No. 9 – Gas in compliance with the Order in Case 11-G-0054, issued and effective June 20, 2011 ("June Order"). That filing, among other things, eliminated from Service Classifications ("SC") 9 and 12 of the Gas Tariff, provisions that allowed the Company to define rate categories at its sole discretion and to describe those rate categories only

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in the Statement of Rates, and added tariff provisions to SC 9 and 12 identifying and describing each of the interruptible base rate Priorities as well as the eligibility criteria for each Priority and the category of service within each Priority. Staff concluded that the latter portion of that filing could not be handled as a compliance filing because it was not consistent with the Commission's June Order and asked the Company to file new tariff amendments defining the eligibility criteria for residential, non-residential and non-residential Petroleum Business Tax ("PBT")-exempt service.

The purpose of this filing is to (1) revise the criteria for eligibility for the rate categories within each Priority of service in order to clarify to whom they apply, (2) make the application of the percentage increase in rates and charges applicable to interruptible customers the same as for firm and off-peak firm customers, and (3) clarify the eligibility criteria for Priority D service.

As noted in the July 20 filing, each Priority currently includes three categories of service: (1) residential, (2) non-residential, and (3) non-residential, exempt from PBT. The Company proposes to define each category as follows:

- <u>Residential Service</u> For interruptible customers whose equivalent firm SC would be SC 1 or SC 3.
- <u>Non-Residential Service</u> For interruptible customers whose equivalent firm SC would be SC 2
- <u>Non-Residential PBT Exempt Service</u> For interruptible customers who are fully exempt from the PBT on their oil purchases for a reason other than residential usage and whose equivalent firm SC could be SC 1, SC 2 or SC 3.

The restated definitions will make uniform the criteria for determining whether a customer will take residential or non-residential interruptible, firm or off-peak firm service.

Thus, for example, an interruptible heating customer who takes service for a multiple-dwelling where at least 75% of the cubical content is used for residential purposes would be served under SC 3 as a firm customer and would therefore fall under the first category, Residential Service. If the same customer's cubical content for residential purposes was only 60%, the customer would be served under SC 2 heating as a firm customer and would therefore fall into the second category, Non-Residential Service.

The purpose of modifying how the percentage increase in rates and charges is applied to interruptible customers is to make that treatment consistent with the proposed definitions of each category of service. Thus customers taking interruptible service will now be treated the same as customers taking firm or off-peak firm service.

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## **Summary of Proposed Changes**

The following tariff changes are being proposed:

- Changes have been made to the SC 12 tariff provisions, under the Rates section, to elucidate the definitions of the rate categories within each of the Priorities (i.e., residential service, non-residential service, and non-residential PBT exempt service).
- Similar changes have been made to the Rates section of SC 9.
- The eligibility requirements for Priority D have been expanded to be consistent with the definition currently included in the Statement of Rates.
- Changes have been made in General Information Section VIII to alter and remove tariff language that treats interruptible customers differently from customers taking firm or off-peak firm service for purposes of the application of the percentage increase in rates and charges.

## **Conclusion**

The leaves are being filed on August 11, 2011 to be effective on November 20, 2011. The Company respectfully requests that the requirements of Section 66 (12)(b) of the Public Service Law as to newspaper publication be waived.

Very truly yours,

/s/ Christine Colletti Director – Rate Engineering

Enclosure