

Filed Session of February 27, 2007
Approved as Recommended
and so Ordered
By the Commission

JACLYN A. BRILLING
Secretary

Issued and Effective March 2, 2007

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

January 12, 2007

TO: THE COMMISSION

FROM: OFFICE OF ELECTRICITY AND ENVIRONMENT– Rates & Tariffs

SUBJECT: CASE 05-S-1376 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Steam Service.

Consolidated Edison Company of New York, Inc. compliance tariff filing related to the Commission Order issued September 22, 2006 in this proceeding.

RECOMMENDATION: The tariff amendments listed in Appendix I should be allowed to become effective on a permanent basis as of the date of issuance of the order in this matter.

Summary

Consolidated Edison Company of New York, Inc. (Con Edison) filed amendments to its steam tariff schedule in compliance with the Commission's Order Determining Revenue Requirement and Rate Design, issued September 22, 2006 in Case 05-S-1376 (September 22 Order). Staff has reviewed the amendments and finds them to be in compliance with the September 22 Order. Therefore, the amendments

should be allowed to become effective on a permanent basis as of the date of issuance of the order in this matter.

Background

In the September 22 Order, the Commission adopted a two-year rate plan for Con Edison's steam business commencing October 1, 2006. Effectuation and implementation of the terms and conditions of the rate plan required amendment of numerous provisions of the company's steam tariff, P.S.C. No. 3 – Steam. The Order directed Con Edison to file the tariff amendments necessary to effectuate its terms.

On September 28, 2006, Con Edison filed the required tariff amendments and advised the Secretary that copies of the filing had been served on all parties to Case 05-S-1376. Pursuant to the terms of the September 22 Order, the tariff amendments became effective on a temporary basis on October 1, 2006, and interested parties were given ten days to submit comments thereon. No comments were received.

The tariff amendments are listed in Appendix A. A description of the tariff amendments is included in Appendix B.

Discussion and Conclusion

Staff has reviewed the company's filing and confirmed that the tariff amendments properly reflect the provisions of the September 22 Order. As approved in the September 22 Order, base rates will continue at their current level for the two-year rate term commencing October 1, 2006, except that recovery of certain costs will be shifted between base rates and the steam Fuel Adjustment Clause charges in the second rate year, and demand charges will be implemented in November 2007 for customers who have demand meters and annual consumption of 22,000 Mlb or greater. No party has objected to the changes and Staff does not believe any modifications to the amendments are needed. Accordingly, there is no impediment to adopting them on a permanent basis.

It is recommended that the tariff amendments listed in Appendix A be allowed to become effective on a permanent basis as of the date of issuance of the order in this matter.

Respectfully submitted,

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Utility Engineer 3

ROSANNE E. MAIELLO
Utility Analyst 2

Reviewed by:

DAKIN LECAKES
Assistant Counsel
Office of General Counsel

Approved by:

DOUGLAS E. LUTZY
Chief, Rates & Tariffs
Office of Electricity and Environment

SUBJECT: Filing by CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Amendments to Schedule P.S.C. No. 3 - Steam

Original Leaves No. 7-H
First Revised Leaf No. 3-B-1
Second Revised Leaf No. 26
Third Revised Leaf No. 7-G
Fifth Revised Leaf No. 15-B
Sixth Revised Leaves Nos. 7-F, 21-B, 22-B
Seventh Revised Leaves Nos. 2-A, 14-B
Tenth Revised Leaf No. 15-A
Fourteenth Revised Leaf No. 2
Fifteenth Revised Leaf No. 22-A
Seventeenth Revised Leaf No. 15
Twenty-Second Revised Leaf No. 21-A

Issued: September 28, 2006 Effective on a Temporary Basis: October 1, 2006

NEWSPAPER PUBLICATION: October 5, 12, 19 and 26, 2006

SUMMARY OF TARIFF CHANGESFuel Adjustment Clause

The Special Monthly Adjustments (SMA) to the Fuel Adjustment Clause has been modified to:

- delete text related to the recovery of non-fuel operation costs of the 74th Street and 59th Street stations and substitute text related to common costs of these stations allocated to the electric department;
- delete obsolete text related to the East River Repowering Project (ERRP) carrying charges, and clarify that carrying charges associated with ERRP allocable to steam that were incurred prior to October 1, 2007 will be recovered through the SMA; and
- clarify that the inclusion of purchased water and water chemical costs used for the production of steam commencing October 1, 2007 will be recovered through the SMA on a one-month lag.

Steam Repair Service

1) Steam Repair Service has been modified to:

- establish fixed charges, inclusive of costs for labor, materials, materials' handling and applicable taxes for various steam repair services performed at the customer's request; and
- continue to charge customers for the costs of labor, materials, and materials' handling and applicable taxes for any steam repair services for which fixed costs are not established.

2) A charge has been established for the investigation of a leak, pressure problem, or other steam-related conditions at a customer's premises when Con Edison determines that there is a problem with the customer's piping and/or equipment. The charge will be \$291 during normal business hours of 7:30 a.m. to 3 p.m. on Monday through Friday excluding holidays and \$336 during any other time.

3) The charge for each temporary disconnection of service and for each reconnection of such service requested by a customer (in excess of one temporary disconnection and reconnection during a 12-month period) has been increased from \$186 to \$291 during business hours and from \$222 to \$331 during any other time.

Service Classifications Nos. 2 and 3

Special Provisions D and E of Service Classification No. 2 – Annual Power Service and Service Classification No. 3 – Apartment House Service, which provide rate reductions for steam air-conditioning, have been modified to allow Con Edison to continue accepting applications until September 30, 2008.

State Income Taxes (SIT)

The State Income Tax Provision which reconciled state income taxes under New York State Tax Law Section 209 that were collected through a separate percentage increase that was in effective prior to October 1, 2004, has been deleted.

Housekeeping Changes

Housekeeping changes have been made to amend leaf numbers referenced in the tariff's Table of Contents, to correct typographical errors, to delete obsolete tariff language and to clarify language in Special Provisions A and B of Service Classification No. 4 regarding the applicability of that service classification and its various charges.