

Filed: Session of December 19, 2013
Approved as Recommended
and so Ordered
by the Commission

KATHLEEN H. BURGESS
Secretary

Issued & Effective December 19, 2013

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

December 4, 2013

TO: THE COMMISSION

FROM: OFFICE OF ELECTRIC, GAS & WATER – Electric Rates & Tariffs

SUBJECT: Case 13-E-0030 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service.

Case 13-G-0031 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. Gas Service.

Case 13-S-0032 – 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.

EXTENSION OF MAXIMUM SUSPENSION PERIOD
FOR MAJOR RATE FILINGS

On January 25, 2013 Consolidated Edison Company of New York, Inc. (Con Edison or the Company) filed amendments to its tariff schedules, P.S.C. Nos. 10, 11 and 12 – Electricity, P.S.C. No. 9 – Gas and P.S.C. No. 4 - Steam. Con Edison requested an electric delivery base revenue increase for the rate year ending December 31, 2014 of approximately \$375 million, which is a 7.2% increase in delivery revenues (or about a 3.3% increase in customers' total bills). For its gas business, Con Edison requested a

delivery base revenue increase for the rate year ending December 31, 2014, of approximately \$25 million, which is a 2.6% increase in delivery revenues (or about 1.3% increase in customers' total bills).

Finally, the Company also requested in its filing a decrease in steam revenues of approximately \$5 million for the rate year ending December 31, 2014. The decrease is in addition to an estimated \$66 million in annual fuel cost savings that will result from the conversion of two Con Edison steam plants from burning fuel oil to natural gas. The combined effect is equivalent to an overall decrease in customers' bills of approximately 10.1%. By Notices issued January 29, 2013 and June 7, 2013 in these proceedings the Commission suspended the captioned proceedings through December 23, 2013.

Con Edison, Staff and other interested parties are presently engaged in settlement negotiations. To accommodate these negotiations, by letter dated October 22, 2013 Con Edison agreed to extend the maximum suspension period for one-month through January 23, 2014 provided it is "made whole" for the revenue shortfall as a result of the extension from January 1, 2014 through January 23, 2014. Con Edison would calculate the revenue adjustments as the difference between sales revenues Con Edison would have billed at new rates during the extension of the suspension period and the same level of sales revenues at current rates. The revenue adjustments would include all applicable surcharges, and would be subject to reconciliation in accordance with all applicable adjustment mechanisms, including revenue decoupling mechanisms, where applicable. In addition, the amortization of net deferrals reflected in the Commission order will commence effective with the month of January 2014, on an earnings neutral basis.

Recommendation

It is recommended that:

1. the operation of the matters suspended by Notices issued January 29 and June 7, 2013 in these proceedings be further suspended and the use of the rates, charges, rules and regulations stated in said Notices be

further deferred through January 23, 2014 unless otherwise ordered by the Commission;

2. Consolidated Edison Company of New York, Inc. be directed to file with the Commission, not later than December 20, 2013, consecutively numbered supplements announcing the extension of the suspension period of the suspended amendments;
3. Consolidated Edison Company of New York, Inc. should be made whole, as defined in this Order, for the period between January 1, 2014 and the date the Commission sets new rates, charges, rules and regulations for the Company's electric, gas and steam businesses; and
4. these proceedings be continued.

Respectfully submitted,

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Reviewed by:

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Approved by:

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