

STATE OF NEW YORK

Public Service Commission

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CON EDISON CUSTOMERS RECEIVE \$80.1M CREDIT — Utility Required to Return Excess Revenues to Customers —

Albany, NY—09/16/10—Consolidated Edison Company of New York, Inc., as required by New York State Public Service Commission (Commission) rules, is providing through bills issued in September to its customers, a one-time credit totaling \$41.8 million. In addition, a similar credit of \$38.3 million was provided through bills issued in August. These credits are owed to customers because Con Edison, due to this summer’s record heat wave, experienced greater than anticipated sales, and therefore, collected more revenue than the Commission had authorized for the company to operate and maintain New York City’s electric grid; in such instances, the Commission requires the utility to give the money back to its customers.

“This clearly demonstrates that the Commission’s regulatory policies requiring utilities to collect only what’s needed to safely and reliably operate the system are in place and function as intended,” said Commission Chairman Garry Brown. “The policy that resulted in this substantial customer credit was put into place to ensure the balance between the cost to provide electricity and the actual amount of revenue collected is maintained.”

A Revenue Decoupling Mechanism (RDM) requires Con Edison to charge or credit the cumulative difference between actual revenues and the Commission allowed revenues for the periods October through March or April through September to customers with interest over a subsequent six-month period. The credit implanted here is based on sales above anticipated levels in April 2010 through September 2010.

Under the RDM measure applicable to Con Edison electric, the company may initiate a charge or credit prior to the onset of the six-month period if the cumulative difference exceeds \$10 million, and may do so over all or a portion of the remainder of the six-month period. This was the case for the period April through June and for the month of July. With the concurrence of Commission staff, the company provided the resulting RDM credits of \$38.3 million over one month in August, and \$41.8 million over one month in September, to mitigate summer bills.

The average residential customer that used 300 kWhs will receive a credit of approximately \$3 on the September bill, but because credits are based on usage, residential customers who used more than the average amount of electricity will receive a larger credit. While the average credit returned to the average customer is not necessarily large, the total cumulative amount of \$80.1 million being returned is significant.

Con Edison's Revenue Decoupling statement filings may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.state.ny.us and entering Case Number 07-E-0523 in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access. Utility filings may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).