

APPENDIX A

Appendix A

Miscellaneous Tariff Changes

1. Minimum Monthly Charge for Demand-Billed Customers

The Company will implement a minimum monthly charge applicable to all demand-billed customers. This charge will be in lieu of the contract demand charge proposed in the Company's October 1, 1996 plan and is designed to minimize the number of customers impacted by the charge while effectuating the overall objective of a cost-based rate to customers with highly variable loads. The charge is designed to be applicable to all demand-billed classes and follows the rate design principles approved by the Commission in Case 27574, On-Site Generation, Opinion No. 82-10 (May 12, 1982), at pp. 44-45 and Order Concerning Compliance Filing (Feb. 4, 1983), p. 14. The charge will ensure that a customer pays, at least, one-half of the distribution demand costs associated with meeting the customer's maximum demand. The applicability of a minimum monthly charge to all demand-billed classes would ensure that on-site generators taking back-up service from Con Edison under the "firm-rate option" (Special Provision A) will pay for the cost of that service.

Each month, the Company will determine for each customer, (i) the monthly pure base revenue calculated under the rates and charges applicable to such customer without reference to the minimum monthly charge and (ii) the minimum monthly charge. "Pure base revenues" are the total electric charges calculated for the customer each month under the rates and charges applicable to such customer without reference to the minimum monthly charge less the average cost of fuel applicable to the month and less revenue taxes. The minimum monthly charge equals the customer's contract demand multiplied by one-half the distribution demand charge applicable to such customer under the rate schedule. Each month the customer's charge for electric service will be the charge calculated under the rates and charges applicable to the customer's rate classification without reference to the minimum monthly charge unless the minimum monthly charge exceeds the pure base revenue, in which case the customer's charge for electric service will equal the minimum monthly charge plus the base cost of fuel and the applicable fuel adjustment for the month (inclusive of revenue taxes and system benefits charges).

The initial contract demand for a customer will be the customer's highest registered demand, or the predecessor customer's, at the premises in the previous 18 months.* The 18-month

* The following rules would apply to "new customer" situations. When the customer is occupying previously-occupied premises, the contract demand will be the contract demand of the predecessor customer and be subject to adjustment in the same manner as contract demands applicable to other customers are adjusted, i.e., on a going-forward basis. When the "new customer" is taking occupancy of premises that have not previously been occupied, the company will not set a contract demand at the outset, allowing the actual demands of the customer to set the contract level (e.g., in the first month of service, the contract will equal the new customer's actual maximum demand in that month. In the second month, the contract demand will be the higher of the first or second month, etc.)

period will roll forward with the contract demand thereafter being the highest demand billed in the rolling 18-month period. *

Any customer could request revision of the contract demand, and the contract demand will be adjusted to a lower level if the customer demonstrates to the Company, in advance, permanent changes in the electrical load in its premises through changes in equipment or changes in the kind of business or activity conducted that make it highly improbable that the contract demand for which the customer is then being billed (highest demand in last 18 months) will be experienced in the future. No such adjustment may be based on expectations of the weather being different in the future than it has been in the past. After being reduced, the contract demand is subject to being increased in the same manner as for all other customers, i.e., at any time the customer's billed demand exceeds the contract demand level.

In order to introduce this new but important billing concept to customers and to reasonably address potential customer impacts, the Company will phase in the minimum monthly charges beginning April 1, 1998. The minimum monthly charge will be phased in as follows: In any month in RY2 in which the minimum monthly charge would otherwise apply, the customer's bill will be equal to the greater of (1) the charge calculated without reference to the minimum monthly bill charge or (2) the minimum monthly charge multiplied by 25%. The 25% amount will be increased in succeeding years as follows: RY3-50%. RY4-75%, RY5-100%.

2. Charges For Services

i. Special Services at Stipulated Rates

To better reflect the economics of the services provided, the charges for high-potential proof tests and for insulating fuel ("dielectric fluid") tests performed by the Company at a customer's request will be increased, effective April 1, 1997, ** as follows: (a) The charge for making the first high potential proof test will be \$400 for up to two hours plus \$200 for each additional hour or portion thereof. The charge for each additional test immediately following the first test will be \$100; (b) The charge for taking and testing a sample of dielectric fluid, when the test is incidental to Company work at the premises, will be \$65 per sample. The charge will be \$270 for the first sample taken by the Company when the test is not incidental to Company work at the premises, and \$65 for each additional sample taken by the Company at the same time. There will be a \$65 charge for testing each customer-obtained sample.

ii. Special Services at Cost

To address customers' requests for special metering, which may increase with increased service options, the Company will be permitted, effective April 1, 1997, to install, as a special service at cost, customer-requested metering beyond that which is required to bill the customer under the rates and charges of the appropriate service classification. Where a metering

* For customers taking back-up (SC 3), supplementary (SC 10) or buy-back (SC 11) service, the contract demand will be based on the higher of the contract demand specified in the application for service or on the maximum demand taken by the customer in any previous month.

** In this Appendix A, the changes to become effective on April 1, 1997, will become effective on the date the Company's tariffs implementing RY1 of this settlement agreement become effective.

device has remote communications capabilities, the customer shall furnish and maintain the communications equipment, arrange for the communications service, and pay ongoing costs associated with the communications service.

iii. Excess Distribution Facilities

The tariff provision regarding installation of excess distribution facilities will be modified, effective April 1, 1997, to permit the provision to be applicable to customer requests for additional facilities.* The tariff provision will indicate that the Company will provide, at the customer's expense, distribution facilities in excess of those normally provided by the Company. The Company will give customers the option to pay the tax and maintenance charges either in annual charges or in a lump sum on a net present value basis. Additionally, the application form for construction for excess distribution facilities will clarify that, after five years, the Company can withdraw from use only those facilities that are redundant.

iv. Services

By order issued July 16, 1997, the Commission approved tariff revisions implementing revised charges for certain services. The services covered included:

- ~ Theft of Service Investigation
- ~ Seasonal Turn On/Off
- ~ Special Meter Reading
- ~ Multi Dwelling Collection Charges
- ~ Collection Fees (non-residential only)
- ~ Dishonored Payments
- ~ Street Disconnect/Reconnect (non-residential only)
- ~ Collection Agency Fees (non-residential only)
- ~ Damaged Meter

Similar filings made during the term of this settlement agreement are not precluded.

v. Residential Late Payment Charge

A residential late payment charge for electric, gas and steam service will become effective in RY1 following Commission approval of this settlement agreement. The Company and Staff shall agree on an implementation plan that provides for advance notice to customers of the institution of the charge in the applicable service tariffs and for waiver of the first charge imposed on customers. Electric late payment charge revenues will be used to offset rate adjustments and accounting deferrals otherwise prescribed by Section II.21 (Residential Time-of-Use Rates).

vi. Incidental Environmental Remediation Work

Irrespective of other limitations prescribed for the Company by this agreement

* The existing tariff language limits the provision to distribution facilities in excess of those normally provided by the Company "for the purpose of supplying equipment the operation of which involves inrush currents above the values otherwise allowed by the Company, or for the purpose of providing a service line in addition to that otherwise provided for supply to the Customer's premises."

including limitations on “behind the meter” services, Con Edison will be permitted to perform and be reimbursed at cost for incidental environmental remediation work on customer premises associated with Con Edison's performance of its T&D service obligations. Company employees sent to a customer's premises to perform work in furtherance of the Company's utility operations who identify the area of the premises where work must be performed as potentially environmentally unsafe as a Company workplace would explain to the customer that OSHA imposes on Con Edison a safe-workplace requirement and that the customer has the obligation to prove that the area is safe or to make the area safe. The Company would inform the customer that many qualified contractors could perform the necessary environmental remediation work or, where the work is of an incidental nature that the Company would perform it, that the customer could choose to have the Company's employees perform the work. The Company will seek to perform such work with the customer's consent.

3. Real-Time Pricing Pilot Program

The Company has had an experimental real-time pricing (“RTP”) program since 1992.* The Company will institute a pilot RTP program. The program will provide customers with energy prices that vary by hour based on the Company’s day-ahead forecasts of marginal fuel costs. This program is expected to help participants begin to adapt to a competitive generation market. Up to 50 customers served under time-of-day rates in SC 4 or SC 9, plus any customers voluntarily transferring from the experimental RTP program in effect as of the date of this settlement agreement, will be eligible for service in this pilot program.

4. Rider J Business Incentive Rate (BIR)

Changes are being made to the Business Incentive Rate (Rider J) to improve the effectiveness of the tariff as a marketing tool to prospective business applications. No material substantive change is intended. The following changes, effective April 1, 1997, would be made:

- customers who qualify for the Rider because they receive both the comprehensive package of economic benefits and real property tax incentives or benefits will, for comprehensive packages negotiated after March 31, 1997, be considered to be eligible based solely on the “comprehensive package” criterion (and not “as of right”) but the allocation will, nevertheless, continue to be allocated per Rider J (A)(2)(b).
- governmental agencies will be permitted to designate loads eligible for the Rider and to adjust the load levels; the dates previously governing new and vacant premises were deleted; and the minimum aggregate demand provision for vacant premises was deleted.
- the Rider will explicitly state that it is utilized for job attraction in addition to job retention, that separately metered residential usage does not affect the rider’s applicability; that, for “as of right” applications, applications must be submitted within 30 days of applying for the property tax or similar qualifying governmental incentive but service need not be taken immediately; that the distribution facilities cost test does not double count Rider J reductions.

* The current program termination date was extended until December 31, 1997 by Commission order dated December 23, 1996 (Case 96-E-0837).

•the second sentence of the first unnumbered paragraph after Section (A)(1)(b) of Rider J, which states that certain customers are ineligible for Rider J, will be deleted.

In addition, the Company will increase the total allocation of BIR power by 65 megawatts over the maximum amount already reflected in Rider J. Revenue shortfalls from the first 20 megawatts of this 65 megawatt increment will not be recovered. Of this increment, 50 megawatts will be allocated to the “comprehensive” program. Rate plan revenue shortfalls resulting from BIR allocations in excess of 20 megawatts out of this 65 megawatt increment will be deferred and recovered, either in the RY 3 and RY 5 rate changes prescribed by Section II.11 or in RY 6. Allocation to businesses reflecting new electric loads and new jobs would be assumed not to result in revenue shortfalls. BIR allocations made in Westchester County and New York City from this increment will be assumed to follow program experience.

5. Other Items

1. The wording relating to installation of demand meters based on kilowatt-hour usage, for Service Classification Nos. 2 and 12, will be clarified effective April 1, 1997, to reflect the longstanding administration of the provisions (Leaf Nos. 213 and 316).
2. On Leaf No. 21, a cross-reference to another tariff leaf will be revised effective April 1, 1997, to state the correct page reference.

APPENDIX B

Appendix B

Items and Expense Levels* Above Which Will Be Included In The
System Benefits Charge (SBC)
(Thousands of Dollars)

<u>Year</u>	<u>Expense Levels</u>		
	<u>DSM**</u>	<u>R&D</u>	<u>Low Income</u>
1997	\$48,400	\$7,700	\$1,800
1998	\$15,000	\$7,700	\$2,100
1999	\$6,000	\$7,700	\$2,100
2000	\$6,000	\$7,700	\$2,100
2001	\$6,000	\$7,700	\$2,100

* Approximates average of one mill/kwhr through 10/99.

** Includes curtailable electric service.

APPENDIX C

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SUPPLEMENTAL TARIFF FILINGS

1. Modified High Tension

Customers are presently permitted to take high-tension service through non-standard high-tension service installations, including non-standard installations resulting from the purchase of Company equipment. This practice, and the tariff provisions that supported it by allowing customers who own only transforming equipment and not switchgear to be treated as high-tension customers, should be withdrawn. The service, dubbed "modified high tension," which was established as an early economic development program, is no longer necessary given the other economic development programs now available. In addition, modified high-tension rates are not cost justified. Customers with non-standard installations will continue to be billed at high tension rates, but no new customers will be permitted to take high tension service except through standard high-tension service installations. Customers that have modified high-tension applications or a documented dispute pending as of October 1996, and complete requirements for the service prior to June 30, 1998 will be billed at the high tension rate. Customers that have not resolved their applications (*i.e.*, entered into a purchase and/or maintenance agreement) with Con Edison by June 30, 1998 will have the option to file a customer complaint with the Public Service Commission by that date. In such event, requirements for modified high tension service must be satisfied by the customer by a date certain specified by the Commission or its designee in a final unappealable decision or order resolving the customer complaint.

2. DC Service

The Company currently provides non-standard DC service to about 5,000 customers, primarily for operating elevator motors, pumps and fire alarms. Since Con Edison's system is adequate to provide equivalent AC service for the entire DC load, DC customers should pay the total cost associated with Con Edison's continued operation of the DC system.

The unit cost of DC service is much greater than the unit cost of AC service because the DC system is much more lightly loaded than the AC system. Moreover, the DC system is old and, in general, requires additional maintenance and has a higher than average burnout rate. The Company is proposing to charge DC customers, all of whom also take AC service, for the costs incurred to serve them in order to encourage customers to convert to modern AC service and eliminate the subsidy provided by AC service.

The majority of customers taking DC service are located in Manhattan, with a few DC customers located in Brooklyn. On average, for customers taking DC service, the DC service represents only about 2 percent of the customers' total AC and DC loads. This means that increases in the cost of DC service would not generally have a major impact on DC customers' total electric charges.

The surcharge being proposed is based on the embedded cost of providing DC service. It would have two components: an incremental energy charge and a customer charge that would vary by service classification. Based on costs, the incremental energy charge would be 10 cents per kWhr and the incremental customer charge would be \$9 per month for non-demand-billed

customers and for unmetered DC fire alarms (Rider D) and \$340 per month for demand-billed customers. The Company will develop a program to phase in these DC charges beginning in April 1998, depending on customer impacts.

APPENDIX D

Appendix D

Unchanged from 3/12/97 settlement

APPENDIX E

Appendix E

NYPA PASNY NO. 4 PEAK LOAD AMOUNTS

Year	MW
1998	1727
1999	1766
2000	1800
2001	1847
2002	1885
2003	1938
2004	1974
2005	2013
2006	2047
2007	2080
2008	2112
2009	2144
2010	2178

APPENDIX F

Appendix F

Fuel Targets

- I. The fuel targets for RY1 will be based on the updated PROMOD data base filed by Con Edison on November 15, 1996, with the following changes:
 - a) Reduce NYC DRA requirement from 80 to 70%
 - b) Delete must-run requirements for Roseton and Bowline units (on both the UBAS and UAPR records)
 - c) Add corrected capacity & energy to Peekskill (PEEKSK2) - TCAP and TENG records
 - d) Add corrected capacity & energy to O&R sales (OR SA WD) - TCAP and TENG records
 - e) Change NYSEG (NUGCGNSE31) FOR to 5%
 - f) Remove extra June entries for (NUGHCHG3)
 - g) Remove undated (TOWN) records & add TOW2 record for HQFRMO1 & RGEHQO1
 - h) Remove undated UCAP, UFOR & UHRD records for HILLBN T 1
 - i) Correct capacity & energy for O&RIPP1 - TCAP and TENG records
 - j) Change NYSEG NUG (NUGCGNSD27) fuel to ID #140
 - k) Reduce NMPC Sithe generation (NUGEONMC) to 960 GWh
 - l) Move NMPC NUG (NUGCGNMF35) to area 4
 - m) Delete O&R unit (NUGBDORG)
 - n) Retire Hickling unit 2, Jennison units 1 & 2, and NMPC NUG (NUGCGNME27)

- II. Each month, the PFAC data base will be updated for the following parameters:
 - a) the currently existing indexed oil price mechanism, subject to updating of the “adders” and “factors” and target heat content for Con Edison’s units, including Bowline and Roseton. As to the “adders” and “factors” and target heat content for units of other NYPP members (other than Bowline and Roseton), the current approach will continue to be used, unless Staff and the Company are able to develop updated data.
 - b) actual quantity and price of gas used by Con Edison.
 - c) other utilities’ gas prices updated consistent with the Con Edison price.

- d) actual generation and cost for new independent power producers through the sixth month of commercial operation.
- e) actual energy and price of purchases from NUGs and/or sales to LSEs under the SC No. 11 buy-back tariff, including the actual generation and cost for purchases from the Westchester RESCO plant.
- f) the currently existing method for adjusting the economy/HQ purchase price target wherein the monthly target price formula will be $TP = SPP \times SF + MF$, subject to the following:
 1. The Starting Purchase Price (SPP) will be the weighted average price of the two-party and economy purchases for the 12-month period ending February 1997, increased by \$1.0/MWh.
 2. The Seasonal Factor (SF), used to adjust the SPP, will reflect the 12-month period ending February 1997.
 3. The Market Factor (MF) will be 80% of the difference between the actual weighted average price of two-party and economy purchases for each month and the weighted average price in the corresponding month in the 12-month period ending February 1997.
 4. The target price formula will apply in all months in which the actual weighted average price of two-party and economy purchases is less than the specified trigger price. The trigger price will be updated to reflect the changes to be made to the SPP, MF and SF. When utilized, the trigger mechanism will operate so as to set a Target Price (TP) equal to the actual weighted average price of the two-party and economy purchases in a given month in lieu of a PROMOD derived NYPP purchased power price.
 5. An additional monthly update will be performed to adjust the target to reflect actual purchases of "Basic" energy from Hydro Quebec (HQ). A portion of the total purchases equal to the amount of HQ "Basic" energy purchased each month will be priced at the actual HQ "Basic" energy price in lieu of the target price otherwise set for economy purchases.
- g) actual deliveries and cost of purchases by Con Edison under its contracts with Selkirk Cogen, Indeck-Corinth, Cogen Technologies and Brooklyn Navy Yard Cogeneration Partners (BNYCP).
- h) Selkirk Cogen fuel cost adjusted to reflect the allocation per the contract between fuel costs and capacity costs.
- i) Indian Point 2 outages or deratings resulting from regulatory directives -- upon mutual agreement or showing of good cause.
- j) other adjustments that are required to reflect the allocation of costs to base rates as specified in the settlement agreement (Section II.32.vi).
- k) variable NUG costs mitigated prior to RY1 that may be retained by the Company pursuant to the Case 94-E-0334 settlement agreement, p. 25.

- l) actual costs to be recovered from retail access customers and credited to the fuel adjustment as specified in this settlement agreement (Section II.32.vi).
- m) actual proportion of Con Edison full service customers' load to retail access customers' load.

III. The Company will continue to utilize PROMOD version 96.20.09 for its fuel target in RY1. In the absence of an alternate method for establishing an incentive fuel adjustment clause acceptable to Staff and the Company, the fuel targets for RY2-RY5 will be updated in accordance with the procedures set forth in the Case 94-E-0334 settlement agreement, pp. 28-29, using PROMOD or another acceptable production cost model. The monthly fuel targets will continue to be calculated using the monthly adjustments set forth in the preceding paragraph, subject to updating and revisions as agreed to by Staff and the Company.

APPENDIX G

Appendix G

Service Quality and Reliability Incentive

1. Operation of Incentive

The incentive mechanism will be in effect for the term of this agreement.

Con Edison's customer service performance and electric service reliability will be evaluated first against customer satisfaction with the Company's performance in four areas: PSC contacts, satisfaction of electric emergency callers, other callers to the Company's telephone centers, and visitors to the Company's service centers, as follows:

if PSC contacts are maintained below the "minimum" threshold established in this agreement, or

if PSC contacts are within the range defined in this agreement as the "acceptable range" and all three measures of customer satisfaction are at or above the threshold levels,

then service quality and reliability performance will be deemed fully satisfactory without reference to other measurements, and no penalties will accrue.

However,

if PSC contacts are above the "maximum" threshold defined in this agreement, or (irrespective of the level of PSC contacts) all three customer satisfaction measures are below the threshold levels, or

if PSC contacts are in the "acceptable range" and any one of the customer satisfaction measures is below the threshold level,

then a penalty review involving ten internal measures of performance will be conducted.

The Company's performance in these ten activities must fall within the standards set in this settlement agreement or be offset as described below to avoid penalties of up to 35 basis points on common equity (revenue requirement equivalent). Performance of any customer service activity worse than the threshold will be offset if the two-year (current year and prior or succeeding year) average performance of that activity is better than the threshold. Performance on any electric service reliability measure worse than the threshold will be offset by performance better than the threshold on any other electric service reliability measure in the same year or if the two-year (current year and succeeding year) average performance of the same measure is better than the penalty level. The threshold standards and penalty levels are stated on the attachment to this appendix.

Any resulting penalties will be deferred and credited to ratepayers in the second year following the measurement period in which the penalty would have been assessable. The measurement periods are the successive twelve-month periods ending March 31, 1998, 1999,

2000, 2001, and 2002. The threshold ranges and penalty and offset levels established in this agreement are fixed for the life of this agreement except as provided in Paragraph 2.ii. below.

2. Exclusions

- i. For measurement purposes, results from periods having abnormal operating conditions will not be considered.

For purposes of customer service activities, abnormal operating conditions are deemed to occur during any period of emergency, catastrophe, strike, natural disaster, major storm, or other unusual event affecting more than ten percent of the customers in an operating area during any month. "Major storm" is defined as a period of adverse weather resulting in a service interruption affecting at least ten percent of the customers in an operating area or causing customers to be without electric service for at least 24 hours. In the event that normal operating conditions are interrupted in one of the Company's six geographical areas and the interruption affects the Company's ability to perform any activity that is part of this mechanism, the data for the geographic area(s) experiencing the interruption will be omitted from the calculation for the period of the interruption and the Company's results in the measured areas will be measured only by the data from the other geographic area(s). If normal operating conditions are interrupted in more than three geographical areas so that monthly results cannot be measured for a given activity, the month will be eliminated in the calculation of the actual annual average performance for each activity for the purpose of determining any penalty. In the event that normal operating conditions are interrupted in more than three geographical areas for an entire rate year, the activity will be inapplicable in that year unless Staff and the Company agree on an alternative method of determining how to allocate any assessable penalties and offsets under this incentive mechanism.

For the purposes of the electric reliability incentive, the following incidents shall be excluded from calculations of the reliability performance measures:

- (a) any incident that occurs when the average wet dry bulb ("AWD") is above 86 degrees calculated as follows: the sum of 70% of the maximum AWD of the day of the incident, 20% of the maximum AWD of the previous day, and 10% of the maximum AWD of the day before the previous day. This formula represents the Company's design criteria for its transmission and distribution systems;
- (b) any major storm as currently measured (more than 10% of the customers interrupted within a currently defined operating area or customers out of service for more than 24 hours);
- (c) any incident resulting from a catastrophic event beyond the control of the Company, including but not limited to water main break, plane crash, or natural disaster;
- (d) any incident occurring during a strike;

- (e) any incident when a problem involving generation or the bulk transmission system is the key factor in the outage and any event directly leading to the outage is not under the direct control of the Company; and
 - (f) one incident every 5 years selected by the Company that does not otherwise meet the criteria for an excludable incident.
- ii. If changes in Company operations render it impractical to continue to measure performance in an agreed-upon activity, the measurement method and/or threshold standard will be revised, an alternative method or activity selected, or the penalties or offsets associated with the affected activities spread proportionately among all remaining activities for the remainder of the period during which the incentive mechanism is operative. Any such modifications must be mutually agreed upon by Staff and the Company in writing.

3. Reporting

The Company will prepare an annual report on its performance that will be filed with the Director of the Consumer Services Division staff. The annual report will address (a) any changes anticipated to be implemented in the following measurement period in any activity reflected in this Agreement and (b) a summary of any significant changes in operations which led to the reported performance level during the measurement period. These reports are subject to an audit and review by Staff. The Company will maintain sufficient records to support such reports.

4. Establishment of performance criteria

The threshold standard for each activity is derived from the standards set in Cases 90-E-1119, 94-E-0334, and 95-E-0165 as modified herein. The threshold standards for Electric Reliability, Investigations, Billing Accuracy, New and Additional Service, Percentage of Calls Answered, and customer satisfaction surveys are the standards established in the above cited cases. The threshold standards for Percentage of Meters Read and PSC Contacts are shown in the Attachment.

5. Performance measurement:

The Company's performance is measured in each activity as follows:

- i. "PSC Contacts" is the number of complaints per 100,000 Con Edison customers received by the Consumer Services Division of the Public Service Commission. A complaint is a contact by a customer, applicant, or customer's or applicant's agent that follows a contact with the utility about the issue of concern as to which the utility, having been given a reasonable opportunity to address the matter, has not satisfied the customer. The issue of concern must be one within the utility's responsibility and control, including an action, practice or conduct of the utility or its employees, not matters within the responsibility or control of an alternative service provider. One or more contacts by a rate consultant raising the same issue as to more than one account, whether such contacts are made at the same time or different times, shall not be counted as more than one complaint if the issue is under consideration by the Department or the Commission and no utility deficiency is

found. Contacts by customers about the Shared Meter Law shall not be complaints if the contact is about the requirements of the shared meter law and no utility deficiency is found.

- ii. “Days to Complete Routine Investigation” is the number of calendar days to complete investigation of a customer inquiry, received by telephone, mail, facsimile or in person, that cannot be resolved on the day it is received. Performance in any month will be measured by the number of investigations completed within 30 calendar days, when the date of completion falls within that month, divided by the total number of investigations completed during the reporting month.
- iii. “Call Answer Rate” is the percentage of calls answered by Company Call Centers between the hours of 9:00 AM and 5:00 PM Monday through Friday (excluding holidays). The performance rate is the sum of the system-wide number of calls answered divided by the sum of the system-wide number of calls offered. Calls offered are calls received by the operating areas’ Automatic Call Distributors. Calls abandoned are calls where the customer hangs up before the voice response unit (“VRU”) responds or when the customer chooses to speak to a representative but hangs up before contact is made. The number of calls answered is equal to the number of calls received minus the number of calls abandoned.
- iv. “Satisfaction of Callers, Visitors, and Emergency Center Contacts” means the average of the satisfaction index ratings on the two semi-annual surveys (second and fourth quarter surveys) of callers, visitors, and emergency center contacts (electric portion only) conducted by Cambridge Research or other professional survey organization during each reporting year.
- v. “Days to Complete (Initial Phase)” means, with respect to initial phase of work orders, the average number of business days from receipt of the customer’s request for an electric non-vault service job by the Energy Services Department to issuance of a service layout to the customer for all initial phase jobs completed in the reporting month. The date of receipt of the customer’s request will be the earlier of (1) the date on the Contractor Work Request Form or (2) the receipt date entered in the Commercial Operations Reporting System. The date of issuance of the service layout (Form 2-80) to the customer will be the earlier of (1) the date shown in the service date confirmation letter issued to the customer or (2) the completion date recorded in the Commercial Operations Reporting System.
- vi. “Days to Complete (Final Phase)” means, with respect to final phase of work orders, on all non-vault electric final phase jobs completed in the reporting month, the average number of business days measured from receipt of a city certificate or completion of final inspection, whichever is later, to the date of final inspection displayed on the “field call sheets,” which must be retained until staff has verified the reported performance level.
- vii. “Percentage of Meters Read on Schedule” is determined by dividing the sum of actual meter readings obtained in the reporting month by the total number of meters scheduled to be read for all operating areas in the reporting month, as indicated in the Cycle Meter Reading Statistics Report. Actual meter readings are readings obtained from meter readers in the field, or through receipt of completed customer “drop cards” or through

phoned-in readings from customers, either directly to a customer service representative or by message left on a VRU.

- viii. “Bill Accuracy” means the number of bills not adjusted as a result of a Company error in the reporting month divided by the total number of bills rendered during the reporting month.
- ix. “Electric Reliability” means the System Average Interruption Frequency Index (“SAIFI”) and the Customer Average Interruption Duration Index (“CAIDI”) for both the radial and network systems. Penalty and offset levels for electric service reliability will be applied to each of these service measures.

Customer Service and Electric Service Reliability Incentive
(threshold standards and penalty levels)

New and Initial Service Jobs

Final Phase

Performance	Basis Points
< 10 days	0.000
10.0 - 10.9 days	-2.08
= > 11.0 days	-4.17

Initial Phase

Performance	Basis Points
<7.5 days	0.000
7.5 - 8.3 days	-2.08
=> 8.4 days	-4.17

**System Average Interruption Frequency Index
Radial Systems
(Minimum = 467)**

Performance	Basis Points
< 350	2.5
350 - 537	0.000
> 537 (115% of minimum)	-2.5

**Customer Average Interruption Duration
Index - Radial Systems
(Minimum = 1.58 hours)**

Performance	Basis Points
<1.18 hours	2.5
1.18-1.81 hours	0.000
>1.81 hours (115% of minimum)	-2.5

Meter Reading

Percent Read On Cycle

Performance	Basis Points
>86.9	0.000
86.0 - 86.9	-2.08
=< 85.9	-4.17

**Telephone Calls Percent
Answered**

Performance	Basis Points
>94.9	0.000
93.6 - 94.9	-2.08
= <93.5	-4.17

**System Average Interruption Frequency Index
Network Systems
(Minimum = 11.78)**

Performance	Basis Points
< 7.54	2.5
7.54 -13.55	0.000
> 13.55 (115% of minimum)	-2.5

**Customer Average Interruption Duration Index -
Network Systems
(Minimum = 3.05 hours)**

Performance	Basis Points
<2.27 hours	2.5
2.27-3.5 hours	0.000
>3.5 hours (115% of minimum)	-2.5

Billing Accuracy
% Bills Not Adj. due to Co.
Error

Performance	Basis Points
>97.2	0.000
95.8 - 97.2	-2.08
=< 95.7%	-4.17

Routine Investigations
Percent Completed Within 30
Days

Performance	Basis Points
>94.9	0.000
93.7 - 94.9	-2.08
=<93.6	-4.17

PSC Contacts
Rate Per 100,000 Customers

Minimum Threshold	8.0
Acceptable Range	8.0 - 8.99
Maximum Threshold	8.99

Customer Satisfaction Surveys
Index Rating (Threshold Level)

Emergency Calls (electric only)	80.5
Telephone Center Calls (non-emergency)	83.5
Service Center Visitors	84.2

SUMMARY

New and Additional Service

Initial Phase	-4.17
Final Phase	-4.17
Calls Answered	-4.17
Bill Accuracy	-4.17
Investigations	-4.17
Meter Reading	-4.17

Interruption Frequency Index

Radial	+2.5/-2.5
Network	+2.5/-2.5

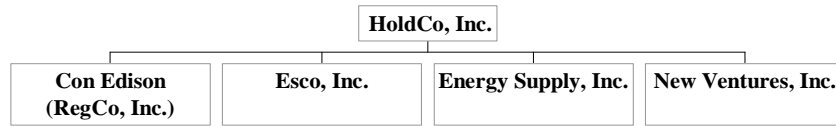
Duration Index

Radial	+2.5/-2.5
Network	+2.5/-2.5

APPENDIX H

Corporate Structure

Proposed Corporate Structure



APPENDIX I

Appendix I

ACCOUNTING FOR AFFILIATE TRANSACTIONS

1.0 PURPOSE -- To provide accounting guidelines for the transfer of assets and employees and the provision of goods and services among the Holding Company and its affiliates.

2.0 APPLICATION --

- Corporate Accounting
 - Accounting Research and Procedures (“ARP”)
 - Accounts Payable/Accounts Receivable (“AP/AR”)
 - General Accounts (“GA”)
- Treasury
- Real Estate
- Employee Relations
- Payroll
- All Other Applicable Organizations

3.0 PROCEDURES –

3.1 Background

On October 1, 1996, in the Competitive Opportunities proceeding, Con Edison submitted to the New York State Public Service Commission (“PSC”) a petition which set forth a plan for corporate restructuring. Under this plan, Con Edison's regulated and unregulated businesses would be conducted through separate corporate entities which would be direct or indirect subsidiaries of a holding company. The holding company (“HoldCo”) and its subsidiaries, including the regulated company (“RegCo”) are considered affiliates for purposes of this procedure. The procedures outlined herein are designed to properly allocate costs among the HoldCo, the RegCo and unregulated affiliates.

3.2 Transfer of Assets and Employees

a. Transfer of Assets

The transition from the existing corporate structure to a holding company structure will require the transfer of assets from the RegCo to one or more of the affiliates.

Transfers of assets from the RegCo to an affiliate (other than generating stations whose value will be determined in the Section 70 proceeding) will be recorded at the higher of net book value or fair market

value. Transfers of assets from an affiliate to the RegCo will be recorded on a basis not to exceed fair market value.

The fair market value of an asset will be determined by one of the following methods: (1) appraisals from qualified independent appraisers; or (2) bid and ask prices as published in newspapers or trade journals; or (3) on any other basis acceptable to both the RegCo and PSC Staff.

In order to ease administrative burdens for immaterial transactions, asset transfers may be recorded at net book value if this valuation is more easily determined than fair market value. In this case, immateriality is defined as an asset having an estimated fair market value or a net book value of \$100,000 or less.

b. Transfer of Employees

For employees transferred from the RegCo to an unregulated subsidiary, the unregulated subsidiary will compensate the RegCo on a one-time basis, with an amount equal to 25% of the employee's prior year's annual salary except that there will be no compensation (i) for employees transferred to an unregulated subsidiary within six months of the date the HoldCo becomes the parent of the RegCo or the unregulated subsidiary to which the employee is transferred is formed, whichever is later; (ii) for the transfer of employees covered by a collective bargaining agreement; or (iii) where the employee's transfer is attributable to the transfer or reduction of a RegCo function or major asset (e.g., a generating station).

3.3 Provision of Goods and Services

- a. Corporate operations under the new holding company structure will require the provision of goods and services from the RegCo and the HoldCo to one or more of the affiliates. The RegCo and the HoldCo will employ cost allocation procedures to ensure that all costs incurred on an affiliate's behalf are appropriately identified and assigned to the affiliate on a fully-loaded cost basis.
- b. The cost allocations set forth in this procedure have been developed utilizing guidelines established by the (1) Securities and Exchange Commission's Staff Accounting Bulletin No. 55, "Allocation of Expenses and Related Disclosure in Financial Statements of Subsidiaries, Divisions or Lesser Business Components of Another Entity"; and (2) Cost Accounting Standards Board's Standard 403, "Allocation of Home Office Expenses to Segments," Standard 410, "Allocation of Business Unit General and Administrative Expenses to Final Cost Objectives," and Standard 418, "Allocation of Direct and Indirect Costs."
- c. Expenses incurred by the RegCo and the HoldCo in support of an affiliate will be allocated directly to that affiliate to the maximum extent practicable.

Expenses that are not directly allocable will be accumulated into homogenous cost categories and allocated on a cost causative basis. If cost drivers cannot be determined, then allocations will be based upon reasonable and related proportional relationships (i.e., capitalization, number of employees, revenues, etc.).

- d. The unregulated affiliates may provide services to the HoldCo and the RegCo. Any management, construction, engineering or similar contract between the RegCo and an affiliate and any contract for the purchase by the RegCo from an affiliate of electric energy or gas will be governed by PSL §110, subject to any applicable FERC requirements. All other goods and services will be provided to the RegCo at a price that will not be greater than fair market value, determined through reference within a specified market. In the absence of a specified market, fair market value may be determined, for example, by using independent qualified appraisers as described in paragraph 3.2a.

3.4 Costs Incurred by the RegCo on Behalf of Affiliates

a. Direct Cost Allocations

1. Salaries and labor related expenses incurred by the RegCo in support of affiliate activities will be directly assigned and billed to affiliates each month based on appropriate, fully costed allocation methods. RegCo corporate services (such as legal and accounting) will be billed on a fully-loaded cost basis while other RegCo services (such as engineering) will be billed on the higher of a fully-loaded cost basis plus a 10% additional charge or the price the RegCo charged a third party for such employee's services. (See Exhibit A.)

2. A cost allocation methodology has been developed for the following categories of RegCo personnel:

- Category I

Category I includes RegCo employees who serve as directors or officers of affiliates. Category I salaries and labor related expenses are charged to the affiliate based on an estimate of the percentage of time expected to be devoted to affiliate activities during the reporting period. (See Exhibit B.) This percentage will be reviewed and updated by ARP annually, or more frequently as changing circumstances warrant.

- Category II

Category II includes all other RegCo employees who provide services (both corporate and project specific) to affiliates. Category II salaries and labor related expenses are

charged to the affiliate based on the number of hours devoted to affiliate activities as reported on the Time Record Form. (See Exhibits C, D, E and F.)

b. Cost Causative Allocations

1. Administrative support services incurred by the RegCo on behalf of the affiliates and which cannot be allocated directly will be billed to the affiliates each month based on appropriate cost causative allocations. These administrative support services may include, but are not limited to transactions processed by the following RegCo organizations: AP/AR, Employee Relations, Payroll, and Treasury.
2. The costs associated with these administrative support services will be allocated to the affiliates, as appropriate, based on one or a combination of the following measures of cost causation:
 - the number of affiliate transactions processed in relation to the total number of transactions processed;
 - the number of hours spent processing affiliate transactions in relation to the number of hours spent processing all transactions; or
 - the value of affiliate transactions processed in relation to the value of all transactions processed.

c. Proportional and Other Allocations

1. The RegCo will bill affiliates for a proportionate share of corporate governance costs related to Board of Trustees and committee meetings, financial communications and investor relations, and public affairs. These costs will be billed to the affiliates based on the ratio of the affiliates' assets to total consolidated assets. This ratio will be updated each quarter at March 31, June 30, September 30, and December 31.
2. Affiliate employees may have the opportunity to participate in the benefit programs of the RegCo. These programs may include medical and hospitalization coverage as well as pension and other post retirement benefits. The RegCo will be reimbursed by the affiliates for costs associated with these benefits.
3. The RegCo, the HoldCo, and the unregulated affiliates may be covered by common property/casualty and other business insurance policies. The costs of such policies will be allocated among the

RegCo, the HoldCo and the unregulated affiliates in accordance with the use or occupancy of such property.

3.5 Costs Incurred by the HoldCo on Behalf of Affiliates

- a. Costs incurred by the HoldCo that are specifically attributable to the affiliates will be charged to the affiliates by direct cost allocations (as described in Section 3.4a) or cost causative allocations (as described in Section 3.4b).
- b. Costs incurred by the HoldCo that are of a general corporate nature, such as organization costs and development stage activities, will be charged to the affiliates by proportional cost allocations (as described in Section 3.4c).

4.0 ADVICE: The Manager, ARP, will advise on this procedure.

5.0 EXHIBITS

Exhibit A-Allocation of Expenses Between the
RegCo and Affiliates

Exhibit B-Allocation of Salaries and Other
Expenses (Category I Employees)

Exhibit C-Time Record Form-Corporate Nature
(Category II Employees)

Exhibit D-Allocation of Salaries and Other
Expenses-Corporate Nature
(Category II Employees)

Exhibit E-Time Record Form-Project Basis
(Category II Employees)

Exhibit F-Allocation of Salaries and Other
Expenses-Project Basis
(Category II Employees)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ALLOCATION OF EXPENSES BETWEEN THE REGCO AND
AFFILIATES

<u>Description of Expense</u>	<u>Basis for Allocation</u>
1) Compensation	
A) Salaries	Category I Employees: Percentage of time devoted to affiliate operations. Category II Employees: Number of hours devoted to affiliate operations.
B) Other Compensation	Includes deferred compensation and imputed income and reimbursement for usage of Company cars. Allocated on same basis as salaries.
C) Support Services	Allocated on same basis as salaries of individuals for whom the support personnel work.
D) Fringe Benefits	RegCo fringe benefit rate to be applied to all straight-time labor.
E) Administrative and General Overhead	RegCo Administrative and General rate to be applied to all straight time labor.
2) Employee Expenses	
A) Office Space	Charged at the market rate per square foot, including utilities and building service maintenance (as provided by the Real Estate Department); multiplied by the space utilized (as provided by Facilities Management).
B) Office Supplies & Expenses (excluding expenses directly assignable to the affiliate or included in the office space charge)	Overhead percentage to be applied to total salary and other compensation (based on RegCo ratio of Office Supplies and Expenses-PSC Account 921, less Building Service costs and Trustee and Committee Meeting Fees

to Administrative and General Salaries).

3) Corporate Governance Expenses

Ratio of affiliate assets to total consolidated assets.

4) Other Expenses Directly Assignable to Affiliates

These costs will be charged to an affiliate account and paid directly by the affiliate.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ALLOCATION OF SALARIES AND OTHER EXPENSES
CATEGORY I EMPLOYEES

NAME:	JOANNE RILEY	CATEGORY:	DIRECTOR
(I)		ANNIVERSARY:	7/14/9x

COMPENSATION

SALARY, INCLUDING DEFERRED COMPENSATION	\$20,000
SALARY OF SUPPORT PERSONNEL (A)	5,000
OTHER COMPENSATION	<u>250</u>
TOTAL SALARY & OTHER COMPENSATION	\$25,250
FRINGE BENEFITS AND A&G OVERHEAD (41.67% x TOTAL SALARY & OTHER COMPENSATION)	<u>10,522</u>
TOTAL SALARY, COMPENSATION & BENEFITS	\$35,772
OFFICE SUPPLIES & EXPENSES	4,641
OFFICE SPACE ALLOCATIONS (958 X SQ.FT. x \$27 PER SQ. FT./12)	<u>2,156</u>
TOTAL - FULLY-LOADED COST	\$42,569
AFFILIATE ALLOCATION (TOTAL x 3%)	\$ 1,277

SUPPORT SERVICES:

(A)	NAME	ANNIVERSARY	POSITION	SALARY
	T. CARR	8/1/9x	SECRETARY	\$5,000

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
TIME RECORD FORM
CATEGORY II EMPLOYEES
(INCLUDING SUPPORT SERVICES)

Name: Joyce Forman

Organization: ARP

Employee Number: 75000

Department: Corporate Accounting

Roll Number: 93804

<u>Date Service Performed</u>	<u>Description of Activity</u>	<u>Time</u>	
		<u>Hours</u>	<u>Quarters</u>
<u>1/1/9x to 1/31/9x</u>	<u>Prepare & update Workpapers, journal entries, ledgers, financial statements; consult affiliate personnel</u>	<u>40</u>	<u>0</u>
	Total No. of Hours	40	0

Support Services

Name: None

Position: _____

Employee Number: _____

Roll Number: _____

<u>Date Service Performed</u>	<u>Description of Activity</u>	<u>Time</u>	
		<u>Hours</u>	<u>Quarters</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Total No. of Hours _____

Prepared By: _____

Approved By: _____

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ALLOCATION OF SALARIES AND OTHER EXPENSES
CATEGORY II EMPLOYEES

NAME: JOYCE FORMAN CATEGORY: OTHER (II)
 ANNIVERSARY: 2/1/9x

COMPENSATION

SALARY	\$ 8,000
SALARY OF SUPPORT PERSONNEL (A)	0
OTHER COMPENSATION	<u>200</u>
TOTAL SALARY & OTHER COMPENSATION	\$ 8,200
FRINGE BENEFITS AND A&G OVERHEAD (41.67% x TOTAL SALARY & OTHER COMPENSATION)	
	<u>3,417</u>
TOTAL SALARY, COMPENSATION & BENEFITS	\$11,617
OFFICE SUPPLIES & EXPENSES	109
OFFICE SPACE ALLOCATIONS (225x SQ.FT. x \$27 PER SQ. FT./12)	<u>506</u>
TOTAL - FULLY-LOADED COST	\$12,232
AFFILIATE ALLOCATION (TOTAL x 40/174 hrs)	\$ 2,812

SUPPORT SERVICES:

(A)	NAME	ANNIVERSARY	POSITION	SALARY
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
TIME RECORD FORM
CATEGORY II EMPLOYEES
(INCLUDING SUPPORT SERVICES)

Name: John King

Organization: Central Operations

Employee Number: 76000

Department: Engineering

Roll Number: 00000

<u>Date Service</u> <u>Performed</u>	<u>Description of Activity</u>	<u>Time</u>	
		<u>Hours</u>	<u>Quarters</u>
<u>1/1/9x to 1/31/9x</u>	<u>Prepare Engineering specifications at the request of affiliate X for job XYZ</u>	<u>40</u>	<u>0</u>
_____	_____	_____	_____
_____	_____	_____	_____
Total No. of Hours		40	0

Support Services

Name: _____ None _____

Position: _____

Employee Number: _____

Roll Number: _____

<u>Date Service</u> <u>Performed</u>	<u>Description of Activity</u>	<u>Time</u>	
		<u>Hours</u>	<u>Quarters</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total No. of Hours		_____	_____

Prepared By: _____

Approved By: _____

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ALLOCATION OF SALARIES AND OTHER EXPENSES
CATEGORY II EMPLOYEES

NAME: John King CATEGORY: OTHER (II)
 ANNIVERSARY: 2/1/9x

COMPENSATION

SALARY	\$ 8,000
SALARY OF SUPPORT PERSONNEL (A)	0
OTHER COMPENSATION	<u>200</u>
TOTAL SALARY & OTHER COMPENSATION	\$ 8,200
FRINGE BENEFITS AND A&G OVERHEAD (41.67% x TOTAL SALARY & OTHER COMPENSATION)	<u>3,417</u>
TOTAL SALARY, COMPENSATION & BENEFITS	\$11,617
OFFICE SUPPLIES & EXPENSES	109
OFFICE SPACE ALLOCATIONS (225x SQ.FT. x \$27 PER SQ. FT./12)	<u>506</u>
TOTAL - FULLY-LOADED COST	\$12,232
5% Add-on	612
Total	\$12,844
AFFILIATE ALLOCATION (TOTAL x 40/174 hrs)	\$ 2,953

SUPPORT SERVICES:

(A)	NAME	ANNIVERSARY	POSITION	SALARY
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____

APPENDIX J

Appendix J

Privileged Information

Nothing in this Agreement requires or will be construed to require the RegCo, the HoldCo or an unregulated subsidiary to provide Staff access to, or to make disclosure to Staff, of any information as to which the entity in possession of such information would be entitled to assert a legal privilege, such as the attorney-client privilege, if, either (i) the privilege could be asserted against Staff pursuant to CPLR 4503, CPLR 3101 (or any other applicable statute or constitution) in a judicial proceeding, action, trial or hearing, or (ii) providing Staff access to or making disclosure of such information to Staff would impair in any manner the right of the entity in possession of such information to assert such privilege against third parties.

If Staff seeks access to or disclosure of any information that either the RegCo, the HoldCo or an unregulated subsidiary believe is exempt from access or disclosure under the terms of this Agreement, counsel for the entity asserting such privilege will so inform Staff, detailing, to the extent practical without destroying the privilege, the reasons why the privilege is being claimed in sufficient detail to permit Staff to determine whether or not to dispute the claim of privilege. If Staff decides to dispute such claim, it may request that an assigned administrative law judge conduct an in camera review of such information to determine whether it is in fact exempt from access or disclosure under the terms of this section, which disclosure shall not be deemed waiver of the privilege. Such determination will be subject to review by the Commission and, if necessary, judicial review.

Confidentiality of Records

The HoldCo and the RegCo shall designate as confidential any non-public information to or of which Staff requests access or disclosure, and which the HoldCo, the RegCo or an unregulated subsidiary believe is entitled to be treated as a trade secret. Any party will have the right to contest the trade secret nature of such designated confidential information.

Each member of Staff who is accorded access to, or to whom disclosure is made of, designated confidential portions of books and records, financial information, contracts, minutes, memoranda, business plans, and the like, will agree to maintain such information as confidential, other than information that previously has been made public. For the purposes of this Agreement, "information that previously has been made public" will mean information that either (i) has been disclosed by either the HoldCo, the RegCo or any unregulated subsidiary in financial or other literature to the financial community or to the public at large, (ii) appears in documents contained in the public files of a local, state or federal agency, body or court and which has not been accorded trade secret protection, or (iii) information that otherwise is in the public domain.

In the event that Staff receives any information designated as confidential pursuant to the procedures described in this settlement agreement and desires to use such information in a litigated proceeding before the Commission, Staff will first notify counsel for the RegCo and the HoldCo and the unregulated subsidiary, if applicable, of the nature of such information as well as its intention to use such information in such proceeding and afford the RegCo, the unregulated

subsidiary and/or the HoldCo the opportunity to apply to the administrative law judge presiding over such proceeding within ten (10) business days for a ruling designed to maintain the confidentiality of such information under Part 6-1 of the Commission's Rules of Procedure (16 NYCRR). Staff and any other party may object to any such application on the grounds that such information is not entitled to be treated as a trade secret under Part 6-1.

In the event that a member of Staff receives any information designated as confidential pursuant to the procedures described in this settlement agreement and desires to use or refer to such information in a memorandum or other document which may become an "agency record" as that term is defined in the New York Freedom of Information Law, Staff first shall notify the Company Liaisons of the nature of such information as well as its intended use, and afford the RegCo, the unregulated subsidiary, if applicable, and/or the HoldCo the opportunity to apply to the Commission under Part 6-1 of the Commission's Rules of Procedure within ten (10) business days for a protective order designed to maintain the confidentiality of such information. Staff and any other party may object to any such application on the grounds that such information is not entitled to be treated as a trade secret under Part 6-1.

APPENDIX K

Appendix K

Con Edison
S.C. No. 11 Buy-Back Rates
Applicable to Transmission Level Sellers
By Month and Period
(\$/MWh)

	ON PEAK	SHOULDER	OFF-PEAK
Apr -98	25.54	-	18.69
May-98	25.58	-	18.95
June-98	27.20	23.18	20.32
Jul -98	31.19	29.05	19.76
Aug-98	33.09	28.72	19.92
Sep -98	28.13	26.40	18.72
Oct -98	23.38	-	18.34
Nov-98	27.81	-	22.78
Dec-98	35.19	-	26.51
Jan -99	36.73	-	28.76
Feb-99	32.92	-	25.89
Mar-99	32.07	-	24.33