POR Discount Rate Effective 3/1/14

Effective March 1, 2014 the Purchase of Receivables (POR) discount rate of **2.25 percent** will be applied to all ESCOs’ gas accounts receivables, including sales tax.

The components are the sum of:

- **0.91 percent** - A percentage that is the Company's uncollectible rate for all residential, small non-residential and POR electric and gas customers. This number is based on actual data from December 2012 through November 2013.

- **0.14 percent** - A percentage that is 15 percent of the uncollectible rate, to compensate the Company for its financial risk that the actual uncollectible rate for the purchased receivable may be higher than the uncollectible rate.

- **0.15 percent** - For the incremental costs associated with POR Program administration.

- **1.05 percent** - A percentage that reflects the annual forecast cost of the Company’s gas credit and collection function with respect to ESCO receivables.

Effective March 1, 2014 the Purchase of Receivables (POR) discount rate of **2.81 percent** will be applicable to all ESCOs’ electric accounts receivables, including sales tax.

The components are the sum of:

- **0.91 percent** - A percentage that is the Company’s uncollectible rate for all residential, small non-residential and POR electric and gas customers. This number is based on actual data from December 2012 through November 2013.

- **0.14 percent** - A percentage that is 15 percent of the uncollectible rate, to compensate the Company for its financial risk that the actual uncollectible rate for the purchased receivable may be higher than the uncollectible rate.

- **0.15 percent** - For the incremental costs associated with POR Program administration.

- **1.61 percent** - A percentage that reflects the annual forecast cost of the company’s electric credit and collection function with respect to ESCO receivables.

These discount rates will be applied to all bills issued **on and after March 1, 2014**.

If you have any responses, comments or questions, please forward them to RetailAccess@coned.com, unless otherwise noted.