CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

Economic Development Delivery Service Rate Schedule Implementing and Part of:

(1) the "Service Agreement for the Delivery of Power and Energy" between the Power Authority of the State of New York ("PASNY") and the Consolidated Edison Company of New York, Inc. ("the Company"), dated March 10, 1989, for the delivery by the Company of Power and Associated Energy to Authority Economic Development Customers;

(2) the "Agreement for the Delivery of Power and Energy from the James A. FitzPatrick Power Project" between the County of Westchester, acting through the Westchester Public Utility Service Agency ("Agency") and the Company, made April 24, 1987; and

(3) the "Agreement Between the City of New York and Consolidated Edison Company of New York, Inc. for the Delivery of Power and Energy from the James A. FitzPatrick Nuclear Power Project" between the City of New York, acting through the New York City Public Utility Service ("Agency") and the Company, made October 23, 1987.

Issued: September 23, 2003
Effective: December 22, 2003

(Subsequent Changes Will be Effective as Shown on Individual Leaves)

Issued by Joan S. Freilich, Executive Vice President and
Chief Financial Officer
Consolidated Edison Company of New York, Inc.
4 Irving Place
New York, N. Y. 10003
# Economic Development Delivery Service

## Table of Contents

- **Applicability** ....................................................................................................................... 3
- **Rate I** ..................................................................................................................................... 4
- **Rate II** ................................................................................................................................. 5
- Common Provisions Applicable to Rate I and Rate II ................................................................. 5
- Special Provisions ...................................................................................................................... 8

## Reference:

All references to the Company's Schedule for Electricity, or to any leaves, terms and conditions or service classifications therein shall be understood to refer to Consolidated Edison Company's Schedule for Electricity Service, PSC No. 9 - Electricity, now on file with the Public Service Commission and its leaves, terms and conditions and service classifications as the same may be modified or superseded from time to time.

All references in this schedule to Customers shall hereinafter be understood to refer to PASNY's "Authority Economic Development Customers", to the Westchester Public Utility Service Agency's "Industrial Economic Development Consumers", and to the New York City Public Utility Service's "City's Industrial Economic Development Consumers" as defined in the agreements referenced on the cover of this Rate Schedule. References to the Agency shall hereinafter be understood to refer to the Agency to whom service is being provided.

The Company may in certain circumstances deal directly with Customers of PASNY and the Agency in connection with the delivery of power and associated energy under this Rate Schedule. Accordingly, there are references herein to privileges and responsibilities of PASNY and Agency Customers. These references are for convenience only and not intended to derogate from either PASNY's or the Agency's rights and duties under this Rate Schedule.

All references to the Company's Retail Access Rate Schedule, or to any leaves, terms and conditions or service classifications therein shall be understood to refer to Consolidated Edison Company's Schedule for Retail Access, PSC No. 2 - Retail Access, now on file with the Public Service Commission and its leaves, terms and conditions and service classifications as the same may be modified or superseded from time to time.

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*(Economic Development Delivery Service - Continued on Leaf No. 3)*

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**Date of Issue:** September 23, 2003  
**Date Effective:** December 22, 2003

Issued by Joan S. Freilich, Executive Vice President and Chief Financial Officer  
4 Irving Place, New York, N.Y. 10003
Applicable to Use of Service for

To the delivery of power and associated energy to Customers pursuant to the agreements referenced on the cover of this Rate Schedule, and subject to the provisions of this Rate Schedule.

Character of Service

The following characteristics of service are available under this Rate Schedule, subject to the provisions of General Rule III-2 of the Company's Schedule for Electricity. The frequencies and voltages shown below are approximate. All are continuous.

Standard Service

Any derivative of the standard alternating current, 3 phase, 4 wire system at 60 cycles and 120/208 volts.

Non-Standard Service

Low Tension Alternating Current - 60 cycles:

- Single phase at 120/240 volts
- Three phase at 265/460 volts
- Three phase at 240 volts
- Two phase at 120/240 or 230 or 240 volts

High Tension Alternating Current - 60 cycles:

- Three phase at 2,400/4,150 volts
- Three phase at 3,000 or 7,800 volts
- Three phase at 6,900 volts
- Three phase at 13,200 volts
- Three phase at 33,000 volts
- Single phase and three phase at 2,400 volts
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Rate

RATE I - APPLICABLE TO USE OF SERVICE FOR

Customers with monthly maximum demands of less than 1,500 kw.

Customers billed under Rate I whose monthly maximum demands are 1,500 kw or greater for two consecutive months shall thereafter be billed under Rate II.

Demand Charge (per kw per month of the maximum demand scheduled to be supplied by PASNY or the Agency for distribution to Customers as determined in accordance with Special Provisions B and C of this Rate Schedule)

<table>
<thead>
<tr>
<th>Low Tension Service</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Month</td>
<td>Kw Blocks</td>
<td>Delivery Service</td>
</tr>
<tr>
<td>June, July, August, September</td>
<td>First 900</td>
<td>$29.64</td>
</tr>
<tr>
<td></td>
<td>Over 900</td>
<td>$25.80</td>
</tr>
<tr>
<td>All other months</td>
<td>First 900</td>
<td>$21.70</td>
</tr>
<tr>
<td></td>
<td>Over 900</td>
<td>$17.87</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>High Tension Service</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Month</td>
<td>Kw Blocks</td>
<td>Delivery Service</td>
</tr>
<tr>
<td>June, July, August, September</td>
<td>First 900</td>
<td>$26.41</td>
</tr>
<tr>
<td></td>
<td>Over 900</td>
<td>$23.15</td>
</tr>
<tr>
<td>All other months</td>
<td>First 900</td>
<td>$18.49</td>
</tr>
<tr>
<td></td>
<td>Over 900</td>
<td>$15.22</td>
</tr>
</tbody>
</table>

Minimum Charge:

The minimum charge shall be the charge of 5 kilowatts of demand, per month, exclusive of Billing Adjustments and Increase in Rates and Charges.

Reactive Power Demand Charge, applicable as specified under the Common Provisions of this Rate Schedule

Date of Issue: March 1, 2011
Date Effective: April 1, 2011

Issued by Robert N. Hoglund, Senior Vice President and Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Rate - Continued

RATE II - APPLICABLE TO USE OF SERVICE FOR

Customers with monthly maximum demands of 1,500 kw and greater.

Customers billed under Rate II whose monthly maximum demands do not exceed 900 kw for 12 consecutive months shall thereafter be billed under Rate I.

Demand Charge (per kw per month of the maximum demand scheduled to be supplied by PASNY or the Agency for distribution to Customers as determined in accordance with Special Provisions B and C of this Rate Schedule)

<table>
<thead>
<tr>
<th>Period</th>
<th>Delivery Service</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>June, July, August, September</strong> (per kw)</td>
<td></td>
</tr>
<tr>
<td>Monday through Friday</td>
<td>$8.28</td>
</tr>
<tr>
<td>(8 AM to 6 PM)</td>
<td></td>
</tr>
<tr>
<td>Monday through Friday</td>
<td>$15.72</td>
</tr>
<tr>
<td>(8 AM to 10 PM)</td>
<td></td>
</tr>
<tr>
<td>All hours - All days</td>
<td>$17.24</td>
</tr>
<tr>
<td>(Low Tension Only)</td>
<td></td>
</tr>
<tr>
<td><strong>All other months</strong> (per kw)</td>
<td></td>
</tr>
<tr>
<td>Monday through Friday</td>
<td>$8.58</td>
</tr>
<tr>
<td>(8 AM to 10 PM)</td>
<td></td>
</tr>
<tr>
<td>All hours - All days</td>
<td>$5.58</td>
</tr>
<tr>
<td>(Low Tension Only)</td>
<td></td>
</tr>
</tbody>
</table>

The total demand charge for each billing period shall be the sum of the charges for each applicable time period, each charge determined by multiplying the demand for the respective time period as determined in accordance with Special Provision B of this Rate Schedule by the rate applicable for that time period.

Reactive Power Demand Charge, applicable as specified under the Common Provisions of this Rate Schedule

(Economic Development Delivery Service - Continued on Leaf No. 6)

Date of Issue: March 1, 2011  Date Effective: April 1, 2011

Issued by Robert N. Hoglund, Senior Vice President and Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II

Increase in Rates and Charges

The rates and charges under this Rate Schedule, including Special Provision Adjustments, are subject to a percentage increase to recover applicable taxes imposed on the Company’s revenues pursuant to the New York Tax Law and taxes imposed by the various municipalities. The rates and charges are further adjusted by a tax surcharge that reconciles State Income Taxes incurred under New York Tax Law Section 209 with revenues collected for State Income Taxes through the percentage Increase in Rates and Charges prior to April 1, 2005. The Statement of Percentage Increase in Rates and Charges (“Statement”) setting forth the applicable percentage increase in effect for the various municipalities served by the Company shall be filed with the Public Service Commission apart from this Rate Schedule. Revisions to the Statement will be filed with the Commission to reflect periodic reconciliations of revenues collected with tax expense incurred under applicable sections of the New York Tax Law and to reflect any new revenue tax, repeal of a tax, or change in the rate of revenue tax enacted by a city or village.

Determination of Demand

The Company will install a demand measuring device of a type approved by the Public Service Commission for the determination of the maximum demand, except as otherwise provided under General Rule III-1(F) of the Company's Schedule for Electricity relating to temporary service. (See General Rule III-11(D) of the Company's Schedule for Electricity for definition of maximum demand.) When demand is determined by a continuous recording device, the maximum demand for each respective time period shall be the integrated demand occurring during the two highest contiguous fifteen minute intervals during the applicable time period.

The Contract Demand for a Customer is determined each month and is equal to the Customer's highest registered demand in the most recent 18 months, or the highest registered demand on the account if the account has less than 18 months of demand history. When a Customer's electricity requirements exceed that served under this Rate Schedule, the Contract Demand under this Rate Schedule is equal to the Customer's highest demand served under this Rate Schedule in the most recent 18 months, or the highest demand served under this Rate Schedule if the account has less than 18 months of demand history.

Any Customer may request a 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 to the electrical load in its premises through changes in equipment or changes in the kind of business or activity conducted that will make it highly improbable that the Customer's current contract demand will be experienced in the future. No such adjustment may be based on expectations of changes in weather. For a Customer whose contract demand has been reduced, the demand history prior to the reduction will not be considered in determining the contract demand for subsequent months.
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

Metering Services

Customers served under Rate II of this Rate Schedule and Customers served under SC 15-RA of the Retail Access Rate Schedule but billed under Rate II of this Rate Schedule may own the meter(s), as described in General Information Section III-8 of the Schedule for Electricity, provided that the Customer owns all the electric meters for the Customer’s full requirements served under a single account.

Where service is billed under Rate I or Rate II and the registered demand was 50 kW or greater for two consecutive months during the most recent twelve months, a Customer may obtain competitive metering services, as determined in General Information Section III-8 of the Schedule for Electricity, provided that competitive metering services for the selected function(s) are obtained for the Customer’s full requirements served under a single account.

As specified under General Rule III-11(W) of the Schedule for Electricity, Customers will be billed for metering services under the otherwise applicable Service Classification of the Schedule for Electricity unless they own the meter(s) or obtain metering services competitively.

Reactive Power Demand Charge

(1) The Reactive Power Demand Charge is applicable to service billed under Rate I and Rate II for the following PASNY and Agency Customers, provided the metering has the capability of measuring and recording Var:

(a) Existing Customers:

(i) Customers as of October 1, 2010, if the Customer’s maximum demand both (a) equals or exceeds 1,000 kW in any two months during the annual period ending September 30, 2009, and (b) exceeds 300 kW in any month during the annual period ending September 30, 2010,

beginning with the later of (A) the Customer’s first bill that is issued with a “from” date on or after January 1, 2011, or (B) the Customer’s first bill that is issued with a “from” date six months after the date that kVar interval data is first made available via the Internet, subject to paragraphs (2) and (3) below;

(ii) Customers as of October 1, 2011, if the Customer is not already subject to the Reactive Power Demand Charge and the Customer’s maximum demand both (a) equals or exceeds 500 kW in any two months during the annual period ending September 30, 2010, and (b) exceeds 300 kW in any month during the annual period ending September 30, 2011,

beginning with the later of (A) the Customer’s first bill that is issued with a “from” date on or after October 1, 2011, or (B) the Customer’s first bill that is issued with a “from” date twelve months after the date that kVar interval data is first made available via the Internet, subject to paragraphs (2) and (3) below;

(iii) Customers as of October 1, 2012, and each October 1 thereafter, if the Customer is not already subject to the Reactive Power Demand Charge and the Customer’s maximum demand both (a) equals or exceeds 500 kW in any two months during the annual period ending September 30 of the preceding year and (b) exceeds 300 kW in any month during the annual period ending September 30 of the current year,

beginning with the later of (A) the Customer’s first bill that is issued with a “from” date on or after October 1 of the current year or (B) the Customer’s first bill that is issued with a “from” date six months after the date that kVar interval data is first made available via the Internet, subject to paragraphs (2) and (3) below;

(Economic Development Delivery Service - Continued on Leaf No. 6-A-1)
Economic Development Delivery Service No. 2
Consolidated Edison Company
of New York, Inc.

ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

Reactive Power Demand Charge – Continued

(1) - Continued

(b) New Customers, beginning with the Customer’s first bill for service, if the maximum demand during the first year of service is expected in the Company’s estimate to equal or exceed:

   (i) 1,000 kW in any two months commencing between October 1, 2010 and September 30, 2011; or
   (ii) 500 kW in any two months commencing on or after October 1, 2011;

(c) Customers who are successors of Customers referred to in subparagraphs (a) and (b) above, beginning with the successor Customer’s first bill for service, unless the maximum demand in the Company’s estimate is not expected to exceed 300 kW in any month during the first year of service;

(d) Customers with induction-generation equipment who would not otherwise be subject to the Reactive Power Demand Charge pursuant to subparagraphs (a) through (c) above:

   (i) beginning with bills having a “from” date on or after October 1, 2010, if the equipment has a nameplate rating equal to or greater than 1,000 kW; and
   (ii) beginning with bills having a “from” date on or after October 1, 2011, if the equipment has a nameplate rating equal to or greater than 500 kW; and

(e) Any Customer with induction-generation equipment not covered under subparagraphs (a) through (d), beginning with the first bill for service. The kVar requirements of the equipment will be determined from the nameplate rating of the Customer’s generating equipment or from the design specifications of the manufacturer of the generating equipment. The kVar requirements of the Customer’s generating equipment will be reduced by the kVar rating of any power factor corrective equipment installed by the Customer.

(2) Reactive Power Demand Charges pursuant to paragraph (1)(a)(i) above will commence no later than the Customer’s first bill that is issued with a “from” date on or after: (A) April 1, 2011, for Customers who are billed or would be billed under Rate I; and (B) July 1, 2014, for Customers who are billed under Rate II. Reactive Power Demand Charges pursuant to paragraph (1)(a)(ii) will commence no later than the Customer’s first bill that is issued with a “from” date on or after October 1, 2012. Reactive Power Demand Charges pursuant to paragraph (1)(a)(iii) will commence no later than the Customer’s first bill issued with a “from” date on or after October 1 of the following year.

(3) If the Company is advised by the telecommunications carrier that access was denied to make the communications service operational or if the Company was unable to install a Var meter because the Company was denied access to the Customer’s premises, billing will commence the later of: (A) the Customer’s first bill that is issued with a “from” date on or after January 1, 2011, if the Customer is subject to Reactive Power Demand Charges pursuant to (1)(a)(i), or October 1 of the applicable year if the Customer is subject to Reactive Power Demand Charges pursuant to paragraph (1)(a)(ii) or (1)(a)(iii); or (B) the first bill issued with a “from” date six months after the Company was notified by the telecommunications carrier that access was denied or six months after the Company was denied access to install the Var meter, as applicable.
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

Reactive Power Demand Charge - Continued

(4) Charge per kVar

- $1.10 per kVar applicable to Customers specified in paragraph (1)(a), (b), (c), or (d) above for billable reactive power demand. Billable reactive power demand, in kVAR, shall be equal to the kVAR at the time of the kW maximum demand (as defined in General Rule III-11(D)) during the billing period (all hours, all days) less one-third of such kW maximum demand; provided, however, that, if this difference is less than zero, the billable reactive power demand shall be zero. If the same kW maximum demand occurs two or more times during the billing period, the reactive power demand will be determined at the time of the first kW maximum demand occurrence.

- If the Company restricts an existing Customer with synchronous generation from utilizing Customer load power factor correction through the Generator's controls, the Customer will not be subject to the above charge until such time that the Company removes this restriction.

- $0.42 per kVAR applicable to Customers specified in paragraph (1)(e) above for the kVAR requirements of the induction-generation equipment.

(5) A Customer subject to the Reactive Power Demand Charge pursuant to paragraph (1)(a), (b), or (c) above will no longer be subject to the Reactive Power Demand Charge commencing in the month following 12 consecutive months in which the maximum demand does not exceed 300 kW.

(6) After the installation of telecommunications service by the telecommunications carrier, the Company will make available to a Customer its kVAR and kW interval data via the Internet. Existing Customers subject to the Reactive Power Demand Charge in October 2011 pursuant to paragraph (1)(a)(ii) above will generally be provided access to daily kW and kVAR interval data during each of the twelve months in advance of being subject to the Reactive Power Demand Charge. Existing Customers subject to the Reactive Power Demand Charge in January 2011, October 2012, and each October thereafter pursuant to paragraphs (1)(a)(i) and (1)(a)(iii) above will generally be provided access to daily kVAR and kW interval data during each of the six months in advance of being subject to the Reactive Power Demand Charge. Customer access to daily kW and kVAR interval data via the Internet will generally be provided on a one-day lag, subject to the Company resolving telecommunications issues that may arise from time to time.
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

Billing Adjustments

The rates and charges for the delivery of power and associated energy to Customers shall be subject a charge representing PASNY’s share of the cost of the savings passed on to Madison Square Garden in accordance with Section 3, Chapter 459, 1982 N.Y. Laws, allocated to service provided under this Rate Schedule.

Terms of Payment

The Company shall render its bills to PASNY and the Agency on or before the tenth day of each calendar month for all amounts due hereunder for the preceding month, and payment will be due and payable within ten days after each bill is received. Charges for late payment shall be as provided in the agreements between the Company and the parties referenced on the cover of this Rate Schedule.

Term of Service

As governed by the agreements between the Company and the parties referenced on the cover of this Rate Schedule.

Definition of Billing Periods

The summer billing period is defined as the four month period from June 1 to September 30. The winter billing period is the balance of the year. When a bill includes periods during both the summer billing period and the winter billing period, the rates and charges applicable will be prorated based on the number of days in the summer billing period and the number of days in the winter billing period related to the total number of days in the billing period.

(Economic Development Delivery Service - Continued on Leaf No. 7-A)
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

[RESERVED FOR FUTURE USE]

(Economic Development Delivery Service - Continued on Leaf No. 7-B)
Common Provisions Applicable to Rate I and Rate II - Continued

Special Provision Adjustments

Definitions, applicable to Special Provision Adjustments only:

“Delivery Revenues” under this Rate Schedule means revenue attributable to charges under Rates I and II, before application of the Increase in Rates and Charges, and excludes Special Provision Adjustments as well as Billing Adjustments and Reactive Power Demand Charges described in the Common Provisions of this Rate Schedule.

(A) System Benefits Charge

The System Benefits Charge, and any surcharge thereto authorized by the Commission, is applicable to all Customers who utilize the Company’s distribution system and recovers costs required to be spent on necessary environmental and other public policy programs. The System Benefits Charge for each rate is shown below.

The System Benefits Charge is currently $0.00 for both Rate I and Rate II.

(B) Monthly Adjustment Clause and Adjustment Factor - MAC

The Monthly Adjustment Clause (“MAC”) and the Adjustment Factor - MAC, described in the Company’s Schedule for Electricity Service, will not apply to service under this rate schedule to the extent that the aggregate allocations to Customers served under this rate schedule and under Service Classification 15-RA of the Company’s Retail Access Rate Schedule do not exceed 235 megawatts. If such amount is exceeded, the above-market costs of non-divested generation assets that are recovered through the MAC and Adjustment Factor - MAC and that would otherwise be applicable if the Customer received service under the Company's Retail Access Rate Schedule will apply to such excess. The MAC and Adjustment Factor – MAC will not be applicable to EDDS service for Customers taking service under another Company Rate Schedule to the extent such charges do not apply under this Rate Schedule.
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

Special Provision Adjustments - Continued

(C) Rate Adjustment Clause

(a) Pursuant to the Order of the Public Service Commission (the “Commission”), dated March 26, 2010, in Case 09-E-0428, $248.8 million of the rate year revenue requirement, starting with the rate year ending March 31, 2011, is to be recovered pursuant to a rate adjustment clause mechanism and shall be subject to refund based on the Commission’s audit and review of the Company’s contract-related capital, O&M and related expenditures, as set forth in the Commission’s Order, dated February 12, 2009, in Case 09-M-0114. The portion of the rates and charges shown in each Rate that comprise the rate adjustment clause mechanism for the current rate year ending March 31, are shown on the Statement of Rate Adjustment Clause filed apart from this Rate Schedule. This portion of the Company’s revenue requirement will continue to be recovered in this manner until such time as the Commission determines otherwise.

(b) Pursuant to the Commission’s Order, dated March 26, 2010, in Case 07-E-0523 and Case 08-E-0539, the Company is required to refund $36.4 million to Con Edison customers, the Power Authority of the State of New York and Economic Delivery Service customers. The portion of the credit applicable under this Rate Schedule is $249,025 and will be applied as a one-time credit on the August 2010 bill issued to PASNY, the New York City Public Utility Service, and the Westchester Public Utility Service Agency as follows: $32,014 to PASNY; $207,895 to the New York City Public Utility Service; and $9,116 to the Westchester Public Utility Service Agency.

(D) Delivery Revenue Surcharges

As directed by the Public Service Commission in its Order, issued and effective April 24, 2009, in Case 08-E-0539, the Delivery Revenue Surcharges (the “Surcharges”) will collect, over 23 months commencing May 2009, Allowed Pure Base Revenue shortfalls applicable under this Rate Schedule and under SC 15-RA of the Retail Access Rate Schedule which result from the extension of the Case 08-E-0539 suspension period, plus interest at the Company’s pre-tax rate of return. The Surcharges will be calculated separately for PASNY, the New York City Public Utility Service, and the Westchester Public Utility Service Agency and billed monthly as a separate monetary amount to each.

Surcharge amounts will be shown on the Statement of EDDS Delivery Revenue Surcharges, which will be filed with the Public Service Commission, apart from this Rate Schedule, no less than three days before its effective date or such later date as directed by the Commission.

(Economic Development Delivery Service - Continued on Leaf No. 7-D)
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

Special Provision Adjustments - Continued

(E) Surcharge to Collect Assessments Under Section 18-a of the Public Service Law

To implement the change to Section 18-a of the Public Service Law (“PSL”), signed into law on April 7, 2009, the Company will collect through a delivery service surcharge, applicable under each Rate Schedule, the amount assessed to the Company, excluding gross receipts taxes, in excess of the amount reflected in base rates. As directed in the Public Service Commission’s Order, dated June 19, 2009, in Case 09-M-0311, delivery service surcharges for each 12-month period commencing July will be designed to collect any Section 18-a assessment for the State fiscal year that commenced April of that year above the amount reflected in base rates, plus working capital costs at the Company’s pre-tax rate of return. Amounts surcharged pursuant to the Commission’s Order, issued and effective April 24, 2009, in Case 08-E-0539, will be applied to the amount to be collected over the 12 months commencing July 1, 2009. To the extent the amount of the surcharge decreases in any year due to a fluctuation in annual intrastate gross operating revenues, the Company will maintain the prior year’s surcharge to improve its cash flow position without increasing Customers’ bills.

Any difference between Section 18-a amounts to be recovered and actual amounts collected, excluding gross receipts taxes, will be reflected in a subsequent period surcharge; provided, however, that any reconciliation amount required to be collected after the last year that the surcharge is in effect, will be deferred, plus working capital costs, for future disposition.

The delivery service surcharge will be allocated to each customer class based on the class contribution to the Company’s total electric revenues, including gross receipts taxes. The contribution of each class will include both delivery and supply charges for all Service Classifications (“SC”s) of the Company’s Schedule for Electricity Service and the Retail Access Rate Schedule (including estimated supply charges for retail access classes), delivery charges only for the PASNY and EDDS classes, and gross receipts taxes for all.

The delivery service surcharge per month applicable to service under this Rate Schedule and under SC 15-RA of the Retail Access Rate Schedule will be shown on the Statement of EDDS Surcharge to Collect PSL Section 18-a Assessments (the “Statement”) that is filed with the Public Service Commission apart from this Rate Schedule. Each Statement will separately identify the monetary amount applicable to PASNY, the New York City Public Utility Service, and the Westchester Public Utility Service Agency. Unless otherwise directed by the Commission, any change to the amount to be collected will be filed with the Commission on a revised Statement no less than 15 days prior to the Statement’s effective date.

(Economic Development Delivery Service - Continued on Leaf No. 8)
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

Special Provision Adjustments - Continued

(F) Smart Grid Projects

A Smart Grid Surcharge is applicable to service under this Rate Schedule to reflect costs to be collected for approved Smart Grid projects, as directed by the Public Service Commission in Case 09-E-0310. Costs will be collected for each project based on the date that each unit of project work is placed or expected to be placed in service, except for costs associated with the Smart Grid Demonstration Project, which will be collected over a five-year period.

The total amount to be collected by the Company under this Rate Schedule, the PASNY Rate Schedule, the Schedule for Electricity Service, and the Retail Access Rate Schedule is composed of the incremental revenue requirement associated with the Company’s capital and operating expenditures for Smart Grid projects. The revenue requirement includes incremental depreciation, taxes, and operating expenses (including incremental direct and associated indirect costs and contractor costs) for Smart Grid projects and a return on capital, adjusted for annual operational savings or other benefits once a project is placed in service. Customers’ share of project costs excludes grants received in connection with these projects, such as grants received from the U.S. Department of Energy under the American Recovery and Reinvestment Act and, if received, a grant from the New York State Office of Science, Technology and Academic Research under the 10% State Innovation Economy Matching Grant Program.

The initial portion of the total amount to be collected will be recovered over the five-month period commencing November 2010 and will reflect the incremental revenue requirement associated with the units of project work that were placed in service plus the incremental revenue requirement associated with the units of project work that are expected to be placed in service through March 2011 as well as a portion of the Demonstration Project costs. Commencing April 2011 and every twelve months thereafter, the portion of the total amount to be collected will be revised to reflect the incremental revenue requirement associated with the units of project work that were placed in service prior to the surcharge period plus the incremental revenue requirement associated with new units of project work expected to be placed in service over the next twelve-month period and additional portions of the Demonstration Project costs. In addition, the amount to be collected over the annual period commencing April of each year will contain an adjustment for prior periods to reflect the difference, with interest (calculated at the Company’s authorized pre-tax rate of return), between the incremental revenue requirement for actual project work that was placed in service and the amount collected.

The amount to be collected under this Rate Schedule will be determined by multiplying the amount to be collected in the five-month period commencing November 2010 and in any annual period thereafter by the ratio of forecasted Rate Year Delivery Revenues under this Rate Schedule to total combined forecasted Rate Year Delivery Revenues under this Rate Schedule, the PASNY Rate Schedule, the Company’s Schedule for Electricity Service, and the Retail Access Rate Schedule for the Rate Year in effect at the commencement of each collection period (i.e., five months initially and twelve months thereafter).

The Smart Grid Surcharge to be collected each month under this Rate Schedule will be calculated to recover the sum of the amount to be collected under this Rate Schedule over the collection period plus any prior period adjustment, and increased by the applicable Increase in Rates and Charges, divided by the number of months of the collection period. Smart Grid surcharge amounts will be shown on the Statement of Smart Grid Surcharge, which will be filed with the Public Service Commission, apart from this Rate Schedule, no less than three days before its effective date. The amount to be charged will be calculated separately for PASNY, the New York City Public Utility Service, and the Westchester Public Utility Service Agency. The Smart Grid Surcharge amount will be shown as a single monetary amount on the monthly bill rendered to each.

The Company will phase out the Smart Grid Surcharge as the costs of projects are moved into base rates. Surcharge collections are subject to refund if the Commission determines project costs to have been imprudently incurred or surcharge calculations to be incorrect.
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Common Provisions Applicable to Rate I and Rate II - Continued

Special Provision Adjustments - Continued

(G) Charge for Demand Management Programs

(1) A charge will be applicable to service under this Rate Schedule to recover the EDDS allocation of program costs, as incurred, to be collected over a reasonable period of time, associated with the implementation of the Commercial System Relief Program (“CSRP”), the Critical Peak Rebate Program, the Residential Smart Appliance Program, and the Network Relief Program, as well as the Targeted Demand Side Management Program established in Case 09-E-0115. A portion of total net program costs (i.e., all program costs net of revenues received from Penalties paid under the CSRP but inclusive of Penalties returned to 2010 CSRP participants after October 2011, and excluding Lost Reservation Payments made under CSRP) will be collected under this Rate Schedule based on the ratio of forecasted Rate Year Delivery Revenues under this Rate Schedule to total combined forecasted Rate Year Delivery Revenues under this Rate Schedule, the Company’s Schedule for Electricity Service, the Retail Access Rate Schedule, and the PASNY Rate Schedule for the Rate Year in effect at the commencement of the collection period.

The amount to be charged under this Rate Schedule will be determined by dividing the amount to be charged over the collection period by the number of months in the collection period.

(2) A charge will be applicable to service under this Rate Schedule to recover the EDDS allocation of program costs, as incurred, associated with the Distribution Load Relief Program, beginning with costs incurred for the 2011 summer program, pursuant to the Commission’s Order issued January 20, 2011, in Case 10-E-0530. Program costs will be collected under this Rate Schedule based on the ratio of forecasted Rate Year Delivery Revenues under this Rate Schedule to total combined forecasted Rate Year Delivery Revenues under this Rate Schedule, the Company’s Schedule for Electricity Service, the Retail Access Rate Schedule, and the PASNY Rate Schedule for the Rate Year in effect at the commencement of the collection period.

The amount to be charged for Demand Management Programs, increased by the applicable Increase in Rates and Charges, will be calculated separately for PASNY, the New York City Public Utility Service, and the Westchester Public Utility Service Agency and shown as a single monetary amount on the monthly bill rendered to each.
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Special Provisions

A. “EDDS Allocation” means the amount of power and associated energy allocated by PASNY or the Agency for delivery to a Customer by the Company under this Rate Schedule.

B. The portion of the Customer’s total electricity requirements supplied by PASNY or the Agency under this Rate Schedule shall be designated as “economic development power” and shall be delivered by the Company at the rates and charges of this Rate Schedule and billed in accordance with this Rate Schedule and General Rule III-11(W) of the Company’s Schedule for Electricity. The portion of such Customer’s electricity requirements in excess of the EDDS Allocation shall be supplied and billed in accordance with that general rule.

(Economic Development Delivery Service - Continued on Leaf No. 8-A)
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Special Provisions - Continued

[RESERVED FOR FUTURE USE]

(Economic Development Delivery Service - Continued on Leaf No. 9)
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Special Provisions - Continued

C. Thirty days prior to each Customer's receiving service under this Rate Schedule, PASNY or the Agency, as applicable, shall notify the Company in writing of the anticipated supply of economic development power to the Company's transmission system by summer and winter capability periods (as defined by the New York Independent System Operator Open Access Transmission Tariff, as amended from time to time) commencing with the date of anticipated first supply of such power and for each succeeding summer and winter capability period. Thereafter, PASNY or the Agency, as applicable, shall notify the Company, in writing, at least 30 days prior to the commencement of a summer or winter capability period of any modified amounts of economic development power to be supplied to the Company for use by a Customer during such capability period. Actual supplies shall be scheduled by PASNY and the Agency in accordance with standard scheduling procedures of the New York Independent System Operator to fulfill the Customer's hourly load requirements under this Rate Schedule.

D. The amounts of energy scheduled under Special Provision C of this Rate Schedule shall be compared with the Company's actual meter readings of energy used by Customers, adjusted for losses. Differences between the scheduled deliveries and actual usage of Customers shall be adjusted in subsequent scheduled deliveries in accordance with procedures mutually agreed upon by the Company and PASNY or the Agency.

E. The Company will be compensated by PASNY and each Agency for losses incurred in the delivery of economic development power by the Company to Customers by application of loss factors to the amounts of energy supplied to the Company by PASNY and the Agencies. Such loss factors shall be determined by the Company and subject to review by PASNY or the Agency.

F. The Company will install, test, repair, and read the billing meters of Customers receiving service under this Rate Schedule in accordance with the Company's procedures for metering and billing as contained in General Rule III-11 "Metering and Billing" of the Company's Schedule for Electricity. The Company will attempt to deliver to PASNY and each Agency the meter readings of Customers by the second working day following the meter reading day, in a format acceptable to both the Company and PASNY or the Agency. PASNY and each Agency shall have the right of remote access, at PASNY's and the Agency's expense, via telephone lines to the billing meters of their respective Customers for the purpose of obtaining load data.

G. The power and energy delivered pursuant to this Rate Schedule will only be for the Customer's own use through the Company's meter or meters, provided that such Customer may redistribute electric energy only to the extent permitted under Rider G or Special Provision B of Service Classification No. 9 of the Company's Schedule for Electricity.
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Special Provisions - Continued

H. Adjustments to bills rendered for prior periods shall be calculated at the rates and charges of the Rate Schedule in effect during the period covered by the adjustment irrespective of the rate charged by PASNY or the Agency to their respective Customers for the service.

I. The Company shall operate and maintain all the facilities necessary to deliver power and associated energy to Customers under this Rate Schedule to provide such Customers with a quality of service equal to that provided to similar Customers served under the Company's Schedule for Electricity. In the event that electric service to any portion or portions of the Company’s system is interrupted or reduced as a necessary incident to the operation and maintenance of the Company's transmission and distribution system, Customers shall be afforded, to the extent feasible, equal treatment with similar Customers served under the Company's Schedule for Electricity in curtailment of and restoration of service.

J. The foregoing rates and charges shall apply to service rendered hereunder on and after the effective date hereof. Where a bill includes periods before the effective date and after the effective date, the rates and charges applicable will be prorated based on the number of days of service rendered before the effective date and on and after the effective date related to the total number of days in the billing period.

K. PASNY or the Agency shall furnish to the Company for each Customer a written application for service in a form suitable to the Company.

L. The rules, regulations, terms and conditions under which power and energy will be delivered as set forth in Leaf Nos. 6 to 191, inclusive, and Leaf Nos. 200-A to 200-C of the Company's Schedule for Electricity shall, in the absence of a direct conflict between such Schedule and any of the provisions contained herein or any of the provisions of the agreements between the Company and the parties referenced on the cover of this Rate Schedule, apply to service rendered under this Rate Schedule. In the event of a conflict, the provisions of this Rate Schedule and the agreement shall control.

M. Rider P of the Company's Schedule for Electricity is available to any Customer that contracts to sell installed capacity to Con Edison.

(Economic Development Delivery Service - Continued on Leaf No. 11)
ECONOMIC DEVELOPMENT DELIVERY SERVICE - Continued

Special Provisions - Continued

N. Any Customer who requests service or increased service on and after May 1, 2002 at a load density that exceeds the higher of (i) the Standard Load Density for the type of premises for which service is requested or (ii) the load density that the Company, after consultation with the Customer, concludes is required for safe and adequate service, will be served under Rider Y of the Company’s Schedule for Electricity and will be subject to the provisions of that Rider, including the Customer Facility Cost Contribution and Financial Security. If the Customer taking service under this Rate Schedule would otherwise be eligible for service under Service Classification No. 14-RA of the Company’s Retail Access Rate Schedule, the Customer Facility Cost Contribution will be decreased by the amount of the capital cost portion of the Interconnection Charge that was or would be incurred for facilities installed under Rider Y.

The rates and charges applicable to service under this Rate Schedule will apply to service under Rider Y, provided, however, that the demand charges in each month shall be determined in accordance with Rider Y and General Rule III-11(W) of the Company’s Schedule for Electricity.