

BEFORE THE  
STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

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In the Matter of  
Consolidated Edison Company of New York, Inc.

Case 07-E-0523

September 2007

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Prepared Exhibits of:

Accounting Panel  
Office of Accounting, Finance and  
Economics  
State of New York  
Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223-1350

**Exhibit \_\_\_(AP-1)**

Information Requests Responses  
And Workpapers

Consolidated Edison Company of New York, Inc.

Case 07-E-0523

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff2  
Date of Response: 06/28/2007  
Responding Witness: Accounting Panel

Question No. :8

The Company's Exhibit \_\_ (AP-5), Schedule 1, Page 1 of 6, provides the electric operating and maintenance expenses by the elements of costs for 12 months ending March 31, 2009 (Col. 3).  
a) Please provide a detailed breakdown for the line item Other (Line No. 86) of \$144,610,000.

Response:

Attachment PSC Staff 2-8 contains a detailed breakdown of the electric operation and maintenance expenses included in the Other category of expense. The first page of the attachment details the historic year expenses of \$91.620 million. The second and third pages detail the program changes totaling \$47.603 million and normalizations of (\$1.048) million. The majority of the costs in the Other category are accounts payable in nature.

To total to the \$144.610 million for Other as shown on line 86, general escalation at 4.70%, or \$6.4 million, needs to be added to all amounts.

Consolidated Edison Company of New York, Inc.  
Other O&M Expense - 2006

Attachment Staff 2 - 8  
Page 1 of 3

	(\$000s)
Work In Progress - Transfers & Corrections	\$ (12,120)
Deferred Compensation	14,146
Electric Parts, Repairs & Services	10,608
Other Equipment, Parts, Repair & Services	5,497
Misc Materials, Hardware, Parts & Supplies	1,663
Misc Studies & Activities	6,039
Vehicle Maintenance Service & Other Transportation	1,697
Programming Services	1,583
Training & Development	2,296
Office Temps	2,006
A/P - Gases	1,956
Audio & Visual*	3,140
Rental Equipment - Other	2,785
Inter-Utility Agreements	1,584
Office Supplies & Equipment	2,804
Substation Equipment, Parts & Services	3,971
Legal - Non consultants	1,297
Marketing & Promotional Sponsorships	1,992
Publications	1,262
Printing Services	2,067
Flagging Services	1,149
Allocated Computer Costs - Hardware & Software	1,085
Weekly Employee Expenses & Petty Cash	2,815
Distributed Sales & Other Taxes	4,212
Stray Voltage - Pole Inspection & Treatment	2,977
Employee Recognition/Awards	1,151
Environmental Programs/Services	1,258
Maintenance & Inspection, Repair Con-Other	1,255
Professional Memberships	334
Special Franchise Assessment	939
Annual Transfer Clearing Account Balances - Year End	724
System Contracts	479
Auctioning Services	369
Food Service	691
Medical Services & Supplies	959
Freight	557
Reimbursement Employee Personal Cars	466
Permits, Licenses, & Fees	301
Testing & Inspection	803
Architects & Surveyor Services	254
Utility Payments	244
Amort. - Prepaid Maintenance of Water Probe Devices/Software	
Maintenance of FPET Equipment	358
Cash Point	2,607
Equifax	387
Bank Reconciliation	(1,535)
All Other - Primarily Accounts Payable Accruals	10,508
Total Other O&M	<u>\$ 91,620</u>
Plus Escalation @ 4.70%	4,246
Total Other O&M '06 plus Escalation	<u><u>\$ 95,866</u></u>

\* Includes electric energy education services and retail choice efforts.

Consolidated Edison Company of New York, Inc.  
Other O&M Expense - Program Changes and Normalizations

Attachment Staff 2 - 8  
Page 2 of 3

<u>Program Changes:</u>	<u>(\$000s)</u>
5 Year OH Inspection Program	\$ 1,499
5-Year UG Structure Inspection Program	10,265
Annual Stray Voltage Testing Program	2,222
Mobile Stray Voltage Testing - Sarnoff Devices	5,766
Public Safety	<u>19,752</u>
Double Wood Program	4,286
Rear-Lot Pole Elimination (backyard) - MAC	2,190
Accelerated C-Truss (defective pole replacement) - MAC	171
33KV Interruptible Switches- SCADA- Bifurcated Feeders - MAC	16
Automated Emergency Tie Reclosure 13KV loops - MAC	75
Non-Network	<u>6,738</u>
Advanced Metering Infrastructure Pilot - Ongoing Support (common)	1,628
Call Center - Ongoing Support (common)	14
Storm Mobilization (common)	19
Customer Operations	<u>1,661</u>
Network Transformer Vault Cleaning	5,488
Dissolved Gas in Oil Analysis (DGOA)	500
SCADA System Consolidation Plan - MAC	200
4kV Load Shedding System - MAC	50
4 kv Breaker Replacement (S.I. & X/W) - MAC	40
Electric Distribution Equipment Reconditioning & Repairs (Transformer Shop)	32
Network	<u>6,310</u>
Improve Overhead Transmission Restoration Capability	700
New EMS System License Maintenance	700
AECC Equipment Support and Maintenance	400
Install Bird Discouragers on Selected Portions of P & F Line	197
ECC Facility Maintenance Costs	183
Live Line Maintenance Procedures	130
Tower Painting	124
Manhole Refurbishment Program	104
PFT Patrols	100
Transmission Planning Studies	100
Training for Emergency CIG	100
Overhead Line Inspections	94
Transmission Reliability - Industry Group Fees	75
Fumace Brook Lake Dam Maintenance	71
NERC and EMS Training	55
Update Plan and Profile Drawings	50
Conductor Repairs	40
Medium Pressure Manhole Refurbishment	39
Conductor Cart Training	35
Roadway Access	22
Emergency Drills	22
Tower Repairs - Lights and Other	<u>(8)</u>
System & Transmission Operations	<u>3,333</u>

Consolidated Edison Company of New York, Inc.  
Other O&M Expense - Program Changes and Normalizations

Attachment Staff 2 - 8  
Page 3 of 3

<u>Program Changes:</u>	<u>(\$000s)</u>
Facilities Betterment - Structural Integrity	\$ 2,000
Staffing for New Substation Facilities	600
Flame Retardant Clothing	355
59th Street Cable Cooling System Maintenance	300
SF6 Gas Emissions Reduction Program	200
Dynamic Feeder Rating System	165
Substation Operations	3,620
Public Affairs - Web Upgrades	162
Facilities Management - Future Substation Facilities Costs	1,166
Strike Contingency Planning (common)	379
Career Path Training (common)	365
Corporate Hiring Program (common)	275
Human Resources	1,019
Unit Substation Repairs and Inspection	1,925
Electric Operations Process Management - EOPM	200
Electric Operations Project Management	193
Equipment Analysis Group - MAC	20
Establishment of a Regional Contractor Oversight / Review Group (BQ only)	6
Wireless Support Program - MAC	3
Engineering & Other Services	2,347
Electric Operations Emergency Management Staffing	952
Area System Profile - MAC	75
Emergency Response	1,027
Law - Technology Programs	346
Purchasing - Single Entry Point Ordering System	122
Total Program Changes - Other	\$ 47,603
Plus Escalation @ 4.70%	2,237
Total Program Changes - Other plus Escalation	\$ 49,840
 <u>Normalizations:</u>	
Bank Reconciliation	\$ 1,535
Cashpoint	(2,607)
Equifax	(387)
Shared Services Administration	249
Law Dept	162
Total Normalizations - Other	\$ (1,048)
Plus Escalation @ 4.70%	(49)
Total Normalizations - Other plus Escalation	\$ (1,097)

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff5

Date of Response: 07/13/2007

Responding Witness: Accounting Panel/Customer Operations Panel

Question No. :80

Subject: Postage The Company's Exhibit \_ (AP-5), Schedule 9, Page 3 of 4, provides the summary of electric cost elements subject to general inflation escalation for the 12-months ending March 31, 2009. On line 56 of this schedule, the Company has subjected postage expense to a general inflation increase. a) Since postage rate increases are subject the authority of the Postal Regulatory Commission, please demonstrate why the use of the general inflation escalation is appropriate. b) Indicate the number of customers who receiving bills in electronic format. Please provide this data on a monthly basis for the years ended December 31, 2004, 2005, 2006 and year-to-date 2007. c) Identify any other mailings the Company regularly sends to customers. d) Are the mailings identified on request "c" above sent electronically to customers receiving their monthly bills in an electronic format?

Response:

- a) The Company escalated postage costs using a factor developed by the Postal Regulatory Commission of 7.6%. The Postal Service has stated that the 7.6% factor was based on rates designed to carry the Postal Service through the fiscal years through September 2008. The Company further escalated postage cost for the September 2008 through March 31, 2009 time period. The general escalation factor for this period should have been 1.04% and not the 4.7% factor used. The 1.04% factor would result in an additional cost increase of \$142,000 and not the \$636,000 adjustment calculated by the Company (see Exhibit \_ (AP-5), Schedule 1, Page 3 of 6, line 56). The Company will adjust the escalation in the update stage of this proceeding to reduce the amount requested by \$494,000.
- b) EDI billing is provided to corporate customers at their request. The Company does not maintain data on the number of customers that receive EDI bills. Currently bills are

provided via EDI to 4,176 accounts. In addition, customers may receive e-bills (bills via email) at their request. Monthly data for e-bills for the requested periods is below.

## E-Bill Customers 2004 – 2007

Jan '04	10,380	Jan '05	39,111	Jan '06	82,451	Jan '07	117,815
Feb	12,096	Feb	42,329	Feb	84,480	Feb	120,181
Mar	15,915	Mar	45,760	Mar	87,674	Mar	122,797
Apr	18,419	Apr	48,674	Apr	90,365	Apr	125,597
May	19,836	May	51,588	May	93,432	May	128,588
Jun	21,669	Jun	54,504	Jun	96,279	Jun	132,148
Jul	24,513	Jul	58,313	Jul	99,172		
Aug	25,742	Aug	62,453	Aug	102,513		
Sep	27,796	Sep	66,181	Sep	105,761		
Oct	31,118	Oct	70,429	Oct	109,432		
Nov	29,603	Nov	74,322	Nov	112,298		
Dec	35,657	Dec	78,046	Dec	114,731		

c) In addition to the monthly bills (which includes inserts) sent each month to customers, publications that the Company regularly sends are:

- Spotlight -- twice annually to about 120,000 customers per mailing;
- LSE mailings -- to existing LSE customers, Master metered buildings, physicians, medical facilities, equipment manufacturers-- approximately 18,000 per year;
- Seasonal mailings -- twice annually to more than 1,000 customers per mailing and;
- Power Problems -- mailings to all 3.2 million customers.

d) No.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff9  
Date of Response: 07/17/2007  
Responding Witness: Rasmussen

Question No. :176

Subject: Remediation Expenditures - The company's Exhibit \_\_ (EJR-1), Schedule 3, Page 3 of 3, provides the summary of site investigation and remediation expenditures for the rate year (April 2008 - March 2009). Why has the Company elected to use a three-year amortization of site investigation and remediation expenditures for the rate year? In light of the magnitude of these expenditures in the rate year, did the Company explore the possibility of a longer amortization period?

Response:

The Company has proposed a three-year amortization period for deferred environmental expenditures in the current rate filing for the following reasons:

1. A three year amortization period is consistent with the time period included in Case 04-E-0572 for all deferrals and credits;
2. The Company has extensive financing requirements and is currently issuing more than \$2 billion of equity and debt annually. Delayed recovery of environmental costs will place additional burdens on Con Edison's ability to finance environmental spending in a cost effective manner;
3. A three year amortization is consistent with the three year rate plan the Company is proposing in this proceeding;
4. The current environmental deferrals have built up over three years;
5. A three year amortization or phase-in mitigates the rate impact of recovering these costs;
6. Annual expenditures are expected to continue at the current levels; and
7. Customers would be required to pay a carrying cost on the unrecovered environmental expenditures at the Company's authorized cost of financing. The pre-tax cost of financing authorized in Case 04-E-0572 was 11.4%. A three

year amortization mitigates the cost of financing to be borne by customers.

The Company explored a longer amortization period for these costs, but does not believe it would be appropriate based on the aforementioned reasons.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff9  
Date of Response: 07/17/2007  
Responding Witness: Accounting Panel

Question No. :178

Subject: Other Operating Revenues - Late Payment Charges (LPC)  
- The Accounting Panel's testimony (page 18, lines 19 through 23) states, "Late Payment Charges, line 10, include estimates for residential and non-residential customers; the estimate was based on the historic three-year average . . ." Please explain why the Company bases the LPC estimates on historic three-year average verses a relationship to sales.

Response:

The Company's forecast of late payment charge revenues was based on the relationship that these revenues have to sales revenues. The calculation starts with a historic three-year average of late payment charge revenues as a percentage of actual sales revenues to develop a factor. This factor or percentage is applied to the forecast of customer revenues to determine the forecast of Late Payment Charge Revenues. Use of a historical average to develop the factor mitigates anomalies and fluctuations evident in any single year. The factor as applied to the rate year sales revenue produced a similar amount of LPCs for the rate year.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff9  
Date of Response: 07/17/2007  
Responding Witness: Accounting Panel

Question No. :179

Subject: Other Operating Revenues - Late Payment Charges (LPC)  
- Please provide the sales that are subject to late payment charges for residential (Acct 6744) and non-residential (Acct 6741) customers for the 12 months ending December 31, 2004, 2005 and 2006.

Response:

The customer revenues that may be subject to late payment charges during the twelve months ended December 31, 2004, 2005, and 2006 are included in the table below:

	2004	2005	2006
Residential	\$2,438,718,443	\$2,923,676,877	\$2,720,491,445
Non-residential	\$3,431,015,000	\$3,564,663,038	\$3,445,445,825

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff9  
Date of Response: 07/19/2007  
Responding Witness: Accounting Panel

Question No. :182

Subject: Shared Services - Company backups supporting the development of rate year shared service costs indicate the following errors in the development of rate year shared services costs on line 73, Exhibit \_\_ (AP-5), Schedule 1, page 3 of 6: 1) Health benefits were not included in the affiliate billings. 2) Pension/OPEB costs were included in the development of the 37.96% historic and 37.2% rate year fringe benefit rates for billings between Con Edison and Orange & Rockland Utilities (O&R). Pension/OPEB costs billed between affiliates should be excluded from the shared service costs, because they are included in net employee pension/OPEB expenses. 3) In developing rate year billings between Con Edison and O&R, a wrong formula was applied in escalating the historic fringe/overhead to the rate year ending 3/31/2009. Provide the corrected excel files to update the rate year shared service costs on line 73 in Exhibit \_\_ (AP-5), Schedule 1, page 3 of 6.

Response:

Please see attachment DPS-182. The first page of the attachment shows the Shared Services element of expense as filed and as updated for the items indicated above.

- 1) The health insurance benefits were added to the projected affiliate billings
- 2) The historical and projected pension costs have been excluded from the Shared Services element of expense and will be included in the Pension / OPEB element in the update.
- 3) The attachment is in PDF and Excel format.

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.**  
**GAS SHARED SERVICES**  
**FOR THE YEARS ENDED DECEMBER 30, 2006 AND MARCH 31, 2009**

	12 MONTHS ENDED DEC. 31, 2006 (Col. 1)	NORMALIZING ADJUSTMENT (a) (Col. 2)	PROGRAM CHANGES (Col. 4)	LABOR ESCALATION (Col. 5)	GENERAL ESCALATION (Col. 6)	ADJUSTMENTS (Col. 7)	12 MONTHS ENDING MARCH 31, 2009 (Col. 8)
Electric Expense	(6,316.2)	(1,276.0)	(397.2)	-	-	-	(7,989.4)
Shared Services (Update - excluding pension costs)	(6,316.2)	-	1.2	-	-	-	(6,315.0)
Shared Services (Variance - Update vs As Filed)	-	(1,276.0)	(398.4)	-	-	-	(1,674.4)

(a) Transfer of pension costs to pension cost element

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
COMPUTATION OF LABOR FACTOR TO BRING  
THE TWELVE MONTHS ENDED DECEMBER 31, 2006 TO THE RATE YEAR  
(Thousands of Dollars)

	Twelve Months Ended Dec 31, 2006	Twelve Months Ending March 31, 2009				
		Without Productivity Savings	With Productivity Savings	Productivity Savings		
<b>Union Wages</b>						
Straight Time	\$ 524,595	\$ 564,294	\$ 554,455	\$ 9,839		
Premium Time	27,779	29,968	29,294	674		
Overtime	127,753	137,820	134,719	3,101		
Total Union	680,127	732,082	718,468	7.6%	5.6%	13,614
<b>Management Salaries</b>						
Straight Time	450,766	493,712	485,214	8,498		
Compensatory Time	33,233	35,599	34,798	801		
Total Management	483,999	529,311	520,012	9.4%	7.4%	9,299
Total Salaries and Wages	<u>\$ 1,164,126</u>	<u>\$ 1,261,393</u>	<u>\$ 1,238,480</u>	<u>\$ 22,913</u>		
Percentage Increase - Rate Year Over Twelve Months Ended December 31, 2006		<u>8.36%</u>	<u>6.39%</u>			

Estimate of Fringe Rate

**2007 ARP1-066 Budget**

Pension	-
All Other	<u>230,450</u>
Total	<u><u>230,450</u></u>

Salaries 1,045,793

Fringe Rate 22.04%

**Rate Year**

Pension	-
All Other	<u>241,277</u>
Total	<u><u>241,277</u></u>

Salaries 1,112,619

Fringe Rate 21.70%

**GDP Deflator-2000=100**

**Forecasts Prepared For 2007 CECONY Electric Rate Case**

	2005	Forecast					2011
		2006	2007	2008	2009	2010	
Mar. 31	111.6	115.0	117.5	120.0	122.5	125.1	127.7
Jun. 30	112.2	115.9	118.1	120.3	122.8	125.4	128.0
Sep. 30	113.1	116.4	118.7	121.3	123.8	126.4	129.1
Dec. 31	114.0	116.9	119.4	121.9	124.5	127.1	129.7
<b>Average</b>	<b>112.7</b>	<b>116.1</b>	<b>118.4</b>	<b>120.9</b>	<b>123.4</b>	<b>126.0</b>	<b>128.7</b>
<b>Annual Average</b>							
Year-over-year % change	3.0%	2.9%	2.0%	2.1%	2.1%	2.1%	2.1%

Average 12 months Ending Dec. 31, 2006 (Actual) = 116.1  
 Average 12 months Ending March 31, 2009 (Forecast) = 121.5  
 Average 12 months Ending March 31, 2010 (Forecast) = 124.1  
 Average 12 months Ending March 31, 2011 (Forecast) = 126.7

Escalation rate for the 12 Months Ending 12/31/06 to the 12 Months Ending 3/31/09 - Rate Year 1	=	1.047
	or	4.70%
Rate Year 2 (increase over Rate Year 1)	=	1.021
	or	2.10%
Rate Year 3 (increase over Rate Year 2)	=	1.021
	or	2.10%

Notes: Actual GDP deflator from press release by U.S. Department of Commerce Bureau of Economic Analysis dated 1/31/07.  
 Quarterly and Annual Forecasts for 2007 and 2008 from Blue Chip dated January 10, 2007.  
 Annual Forecasts for 2009 on are from *Blue Chip* dated October 10, 2006.  
 The quarterly values for 2009 on are extrapolated by applying the year-over-year rate to the prior year's corresponding quarter.

Courtney Brooks  
 Energy Management  
 Updated on January 31, 2007











Total	Electric	Gas	Steam	Electric %	Gas %	Steam %	ROE Description	Acct	JEDC	Jeds Description	Account Description
2,385,546.08	1,956,147.79	429,398.79	-	82.00%	18.00%	0.00%	100.00% SHARED SERVICES	H4247	0881	ORANGE & ROCKLAND TRANSACTIONS	CUST REC & COIL-SHARED SVCS-RECPT
(39,618.62)	(32,146.55)	(5,233.62)	(2,238.46)	81.14%	13.21%	5.65%	100.00% SHARED SERVICES	H5683	0881	ORANGE & ROCKLAND TRANSACTIONS	MISC GEN EXP-COMM-FLEET ADMIN EXP
-	0.03	-	-	0.00%	0.00%	0.00%	0.00% SHARED SERVICES	T5636	0881	ORANGE & ROCKLAND TRANSACTIONS	MISC GEN EXP-FEE/COMMERCIAL PAPER
2,345,927.46	1,924,001.27	424,164.87	(2,238.46)	82.01%	18.08%	-0.10%	100.00%				



Consolidated Edison Company of New York, Inc./O&R Utilities Inc.  
Shared Services

	Final 2005 True-up	Jan 06	Feb 06	Mar 06	Apr 06	May 06	June 06	Total Jan - June '06	July 06	Aug 06	Sept 06	Oct 06	Nov 06	Dec 06 - 11 month True-up	Dec 05	Total July - Dec '06	Total Jan - Dec '06	Jan - Dec 2006 Excluding Pensions	Payroll Escalation	Expenses Exclusions	Fringe Benefits	Rate Year 12 Month Ended	
<b>CECONY to O&amp;R</b>																							
Labor	324	9,476	9,476	9,476	9,476	9,476	9,476	57,181	9,826	9,826	9,826	9,826	9,826	(816)	9,751	58,052	115,247	115,247	6.39%	4.70%	21.70%	132,610.9	
Expenses	957	1,908	1,908	1,908	1,908	1,908	12,403	2,036	2,036	2,036	2,036	2,036	2,036	(144)	1,990	12,024	24,437	24,437				25,374.8	
Fringe/Overheads	135	4,869	4,869	4,869	4,869	4,869	29,331	5,038	5,038	5,038	5,038	5,038	5,038	636	5,110	31,026	60,347	24,316				26,606.6	
	1,417	16,253	16,253	16,253	16,253	16,253	16,253	98,936	16,920	16,920	16,920	16,920	16,920	(323)	16,831	101,125	200,061	161,060				174,792	
Amount @ 7.50%	106																106	106					
Amount @ 7.45%	106	1,211	1,211	1,211	1,211	1,211	1,211	7,265	1,261	1,261	1,261	1,261	1,261	(24)	1,255	7,534	14,799	12,116				13,022	
		1,211	1,211	1,211	1,211	1,211	1,211	7,271	1,261	1,261	1,261	1,261	1,261	(24)	1,255	7,534	14,905	12,222				13,022	
<b>O&amp;R to CECONY</b>																							
Labor	-	509	581	572	591	566	610	3,509	601	372	615	586	578	-	576	3,528	7,037	7,037	6.39%	4.70%	21.90%	7,486.7	
Expenses	-	138	259	201	211	108	212	1,149	131	151	202	180	169	-	188	1,021	2,170	2,170				2,271.9	
Fringe/Overheads	-	430	509	595	615	589	635	3,393	626	595	640	610	601	-	599	3,671	7,064	1,848				1,639.6	
	-	1,077	1,249	1,368	1,417	1,263	1,437	8,051	1,338	1,318	1,457	1,376	1,348	-	1,363	8,220	16,371	11,055				11,391	





Summary Of Allocation Costs  
2006  
Orange & Rockland Utilities, Inc.

Category/J	January	February	March	April	May	June	July	August	September	October	November	December	Total
Direct Services													
Salaries and Related Expenses													
Corporate Services													
EHS													
Tax Department						654.00							654.00
Accounting						5,048.00							7,544.47
Shared Services						5,800.00							8,068.47
Total - Corporate Services								560.00	653.12	755.22	530.13		
								560.00	653.12	755.22	530.13		8,068.47
Category III													
Non-Corporate Services													
System Operation							734.05						734.05
Fuel Transportation Services		33,351.91	9,362.49	1,528.56	8,298.00	1,474.00		5,818.00	395.25				60,028.21
Total - Non-Corporate Services		33,351.91	9,362.49	1,528.56	8,298.00	1,474.00	734.05	5,818.00	395.25				60,762.26
Total Corporate and Non-Corporate Services		33,351.91	9,362.49	1,528.56	8,298.00	7,074.00	734.05	6,178.00	1,048.37	755.22	530.13		68,860.73
Gross Receipts Tax @		33,351.91	9,362.49	1,528.56	8,298.00	7,074.00	734.05	8,178.00	1,048.37	755.22	530.13		68,860.73
Total Services Plus Gross Receipts Tax		244,473.73	1,035,910.57	36,110.33	343,211.30	525,497.31	331,316.82	278,246.86	148,659.20	633,649.82	223,347.40	692,959.15	4,844,770.29
Other Expenses													
WCF 60003													
PWC													
Huntton & Williams													
Chase Manhattan													
Postage													
EEL													
AGA													
Other													
Total WCF 60003													
WCF 68737													
WCF 88738													
Others													
Total Other Expenses													
Employee Benefits													
LTIIP	45,523.00	45,523.00	45,523.00	81,046.00	8,085.76	8,085.76	8,212.92	8,212.92	8,212.92	8,212.92	8,212.92	8,212.92	45,523.00
DIP	7,815.76	8,515.76	8,085.76	8,085.76	8,085.76	8,085.76	8,212.92	8,212.92	8,212.92	8,212.92	8,212.92	8,212.92	97,672.06
McLellan Regulatory Services	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(22,997.70)	(276,972.40)
Retiree Medical Contribution Deductions	(17,865.91)	(18,584.65)	(18,606.30)	(17,053.86)	(18,137.39)	(18,300.24)	(18,777.23)	(18,537.21)	(18,537.21)	(19,811.37)	(19,685.12)	(20,001.18)	(226,590.03)
UNITED HEALTHCARE	169,396.00	137,053.00	184,577.00	239,757.00	172,074.00	189,952.00	445,154.00	355,841.00	194,320.00	320,356.00	320,356.00	256,029.00	2,830,822.00
COLLEGE VISION	5,718.40	5,738.11	7,120.98	8,878.50	5,725.60	5,404.08	6,892.60	7,206.00	7,206.00	5,658.78	8,078.40		88,295.85
METLIFE DENTAL	81,069.40	108,454.78	101,286.87	118,704.40	110,013.21	107,183.93	87,408.22	92,424.32	98,140.04	79,498.76	97,862.68	94,588.50	1,185,418.09
2004 Employee Benefits Reconciliation	36,595.00	36,595.00	36,595.00	311,865.81	87,403.00	87,403.64	34,044.31	84,367.50	84,367.50	84,368.50	84,368.50	84,367.50	1,012,412.38
Pensions	11,551.58	11,551.58	11,551.58	37,567.34	11,690.05	11,690.05	2,803.80	14,073.87	14,073.87	14,073.87	14,073.87	14,073.87	168,874.13
OPEB													
Total Employee Benefits	316,468.53	309,858.68	352,808.19	564,859.35	333,838.53	345,780.37	263,337.50	598,150.08	384,785.22	505,148.57	480,091.35	413,252.71	4,888,466.08
Total Direct Services	\$ 739,078.30	\$ 587,884.32	\$ 1,398,161.25	\$ 560,277.56	\$ 885,345.83	\$ 878,351.88	\$ 985,388.17	\$ 883,573.73	\$ 514,492.79	\$ 1,139,551.71	\$ 713,969.88	\$ 1,106,211.86	\$ 9,802,086.10
Administrative Support Services Allocation													
A&G Allocation	1,125,000.00	1,113,300.00	1,395,000.00	1,211,000.00	1,211,000.00	1,211,000.00	1,246,000.00	1,208,000.00	1,307,000.00	1,258,000.00	1,298,000.00	1,227,700.00	14,772,000.00
Gross Receipts Tax @													
True-up adjustments	1,125,000.00	1,113,300.00	1,395,000.00	1,211,000.00	1,211,000.00	1,211,000.00	1,246,000.00	1,208,000.00	1,307,000.00	1,258,000.00	1,298,000.00	1,227,700.00	14,772,000.00
Total Administrative Support Services Allocation	1,125,000.00	1,113,300.00	1,395,000.00	1,211,000.00	1,211,000.00	1,211,000.00	1,246,000.00	1,208,000.00	1,307,000.00	1,258,000.00	1,298,000.00	1,227,700.00	14,772,000.00
ORU A&G Allocation to CECONY	1,189,823.39	1,357,090.86	1,482,633.29	1,423,310.73	1,265,742.81	1,463,808.81	1,360,840.86	1,332,061.30	1,468,890.05	1,388,029.09	1,353,048.92	1,368,674.44	16,452,574.35
Total Direct Services and Administrative Support Services	1,864,078.30	1,700,884.32	2,793,161.25	1,771,277.56	1,888,345.83	2,089,351.88	1,841,388.17	2,082,573.73	1,821,492.79	2,397,551.71	1,971,869.88	2,333,611.86	24,574,066.10

Summary of Allocation Costs 2006 Con Edison Competitive Shares Service Co. (CSS)													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Salaries and Related Expenses</b>													
Callison, J													\$
Directors													
Callison, J													
Corporate Services						2,458.20	248.00	327.72	184.00	3,364.10	323.00	453.00	7,334.02
Accounting						284.00	178.00						440.00
Auditing													
Labor, Employment & Commercial Litigation													
Legal Services													
Public Affairs													
Regulatory Services													
Tax													
Treasury													
<b>Total - Corporate Services</b>					(5,342.28)	2,720.20	422.00	327.72	184.00	3,364.10	323.00	453.00	7,774.02
<b>Other Expenses</b>	3,582.16					3,155.74	978.05		852.82	1,185.75	25.03	25.03	4,252.10
WCH 82399													
Accounts Payable													
Bank Fees													
<b>Total Accounts Payable</b>													
<b>Other</b>													
<b>Total WCH 82399</b>													
<b>Joint Purchasing Overhead Rate</b>													0.12%
<b>Total Other Expenses</b>													
<b>Employee Benefits</b>													
Pension	(1,048.75)	(1,048.75)	(1,048.75)	918.16	1,355.81	1,356.81	10,725.30	1,600.83	1,600.83	1,600.83	1,600.83	1,600.83	19,210.88
OPES - Health	813.75	813.75	2,847.34	2,847.34	824.39	824.39	298.96	1,005.33	1,005.33	1,005.33	1,005.33	1,005.33	12,063.96
DIP	942.80	942.80	69,786.05	1,056.05	1,066.04	1,066.04	1,066.06	1,066.06	1,066.06	1,066.06	1,066.06	1,066.06	81,326.14
Adjustment to Employee Benefits	21,285.22	22,557.87	51,507.11	15,535.81	17,201.07	25,208.86	32,258.48	36,144.89	22,852.77	24,854.48	22,777.10	48,957.31	49,857.31
Employee Relation - Health Benefits	25,052.02	23,304.47	121,037.16	20,187.39	20,447.31	28,457.10	44,349.78	39,817.21	26,524.89	28,326.70	29,448.32	17,018.33	309,000.87
<b>Total Employee Benefits</b>	\$ 25,394.18	\$ 23,304.47	\$ 121,037.16	\$ 20,187.39	\$ 18,108.03	\$ 34,333.84	\$ 46,749.83	\$ 40,144.83	\$ 27,641.61	\$ 32,886.85	\$ 25,797.38	\$ 71,123.89	\$ 483,686.40





Summary Of Allocation Costs  
2006  
Con Edison Energy, Inc.

Category / Description	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Salaries and Related Expenses</b>													
Category I	1,025.00	1,625.00	1,733.00	1,733.00	1,733.00	1,733.00	563.00	563.00	563.00	563.00	563.00	549.00	11,819.00
Directors													
<b>Category II</b>													
Corporate Services													
Officers - Elected	2,125.00	2,311.00	2,420.00	2,437.00	2,442.00	2,450.00	2,216.00	2,216.00	2,217.00	2,217.00	2,217.00	2,212.00	27,089.00
Officers - Functional	3,217.00	3,030.00	3,070.00	3,092.00	3,085.00	3,085.00	6,070.00	6,081.00	6,094.00	6,087.00	6,074.00	6,079.00	69,084.00
Accounting	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	1,380.00
Legal	8,742.00	8,613.00	32,808.00	31,343.00	31,343.00	31,343.00	33,674.00	33,674.00	18,910.00	14,422.00	3,407.00	1,031.00	180,243.00
Regulatory Services	16,405.00					34,065.00			34,841.00		151.00		86,062.00
<b>Total - Corporate Services</b>	33,682.00	15,161.00	46,992.00	6,129.00	46,131.00	62,703.00	44,837.00	10,444.00	70,056.00	28,183.00	14,807.00	9,565.00	362,234.30
<b>Category III</b>													
Non-Corporate Services													
Technology Services - Len Management	3,025.71	3,025.71	3,025.71	3,025.71	3,025.71	3,025.71	5,506.75	5,506.75	5,506.75	5,506.75	5,506.75	5,506.75	57,899.80
IT Contractor	483.00												
<b>Total - Non-Corporate Services</b>	4,318.71	3,025.71	7,944.43	7,944.43	7,944.43	7,944.43	5,506.75	5,506.75	5,506.75	5,506.75	5,506.75	5,506.75	68,891.53
<b>Total Profit on Non-Corporate Services</b>	363.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	3,945.00
Gross Receipts Tax @ 3.400%	13,296.86	8,492.32	36,237.87	9,292.50	50,029.53	6,227.00	6,323.83	13,435.84	26,342.34	36,417.54	35,358.87	359,277.44	602,713.84
<b>Total AP</b>	57,387.57	38,018.03	93,214.20	24,101.93	104,130.03	130,675.43	61,673.75	30,389.80	106,412.00	64,366.53	30,613.75	19,171.00	1,024,118.18
<b>Other Expenses</b>													
WOL BOND													
Accounts Payable													
PMC													
Support Energy Systems													
Chase Manhattan Bank Service Fee													
Melton Consultant													
Others													
<b>Total AP</b>													
<b>Others</b>													
<b>Total WOL BOND</b>													
<b>Joint Purchasing Overhead Rate</b>													
<b>ZapNet</b>													
<b>Total - Other Expenses</b>													
<b>Employee Benefits</b>													
Pensions	15,839.16	15,839.16	15,839.16	147,831.84	33,456.14	33,456.14	(33,802.86)	32,874.25	32,874.25	32,874.25	32,874.25	32,874.25	302,033.87
LTP	12,919.89	12,919.89	12,919.89	(26,638.94)	645.00	645.00	645.00	645.00	645.00	645.00	645.00	645.00	12,919.89
DFP	347.30	742.50	643.00	645.00	645.00	645.00	(10,236.80)	4,731.00	4,731.00	4,731.00	4,731.00	4,731.00	7,740.00
FRA	5,246.82	5,246.82	5,246.82	17,246.25	5,246.82	5,246.82	5,246.82	5,246.82	5,246.82	5,246.82	5,246.82	5,246.82	58,772.00
<b>Employee Retiree - Health Benefits</b>	37,661.89	41,534.24	72,491.84	41,373.41	76,577.85	32,786.41	48,178.87	48,713.74	27,668.53	27,430.21	24,402.27	30,819.24	512,536.50
<b>Total Employee Benefits</b>	72,458.45	76,278.51	107,138.81	181,115.62	117,971.65	72,187.61	5,864.78	82,763.99	65,226.18	62,482.44	62,452.52	91,888.09	1,026,181.38
<b>Total</b>	115,154.43	103,883.58	189,778.33	239,188.33	172,229.48	180,822.79	66,301.14	118,753.79	189,128.87	135,144.78	118,785.88	461,855.81	2,074,114.18

Summary Of Allocation Costs  
2008  
Gen Edison Energy Massachusetts, Inc.

Category	January	February	March	April	May	June	July	August	September	October	November	December	Total
Salaries and Related Expenses													
Category J													
Directors													\$
Category J													
Corporate Services				544.03	111.00	1,002.00							1,857.03
Corporate Accounting													
Audit													
Tax													
Total - Corporate Services				544.03	111.00	1,002.00							1,857.03
Category J													
Non-Corporate Services													
Technology Services - Lan Management													
Total - Non-Corporate Services													
Total Profit on Non-Corporate Services													
Gross Receipts Tax @ 3.480%	7,787.26	9,638.17	13,393.67	10,506.82	9,685.10	13,393.67	9,638.17	12,257.44	11,481.09	281,659.53	10,522.14	10,506.82	410,481.86
Total Gross Receipts Tax on Profit													
Other Expenses													
WOM 88252													
Accounts Payable													
PWC													
Chase Manhattan Bank Service Fee													
Melton Consultant													
March USA													
Energy Insurance Mical													
TUFTS Health Plan													
Others													
Total AP													
Others													
Total WOM 88252													
Joint Purchasing Overhead Rate 0.12%													
Total - Other Expenses													
Employee Benefits													
Employee Relations - Health Benefits	11,569.81	11,405.79	9,484.85	9,403.33	11,418.02	12,881.69	14,096.36	10,659.14	14,555.98	9,681.77	18,880.80	11,909.97	148,158.81
Total	\$ 19,397.07	\$ 21,044.86	\$ 22,878.52	\$ 20,454.18	\$ 21,212.12	\$ 27,377.69	\$ 23,736.53	\$ 22,918.58	\$ 28,037.07	\$ 301,321.30	\$ 29,502.94	\$ 22,416.78	\$ 558,237.72

Summary of Allocation Costs  
2006  
Con Edison Holdings, Inc.

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Salaries and Related Expense	1,026.00	1,626.00	1,753.00	1,753.00	1,753.00	1,753.00	1,680.00	1,648.00	1,655.00	1,650.00	1,650.00	1,648.00	\$ 18,440.00
Category II													
Corporate Services													
Officers - Elected	2,112.00	2,410.00	2,441.00	2,445.00	2,448.00	2,482.00	3,890.00	3,894.00	3,894.00	3,859.00	3,892.00	3,891.00	37,665.00
Officers - Functional	3,425.00	3,911.00	3,832.00	3,840.00	3,845.00	3,852.00	3,618.00	3,618.00	3,620.00	3,620.00	3,619.00	3,614.00	44,118.00
Auditing	16,031.00	287.00	3,300.00	453.00	615.00	544.00	1,098.00	1,098.00	907.00	4,796.00	793.00	266.00	37,761.00
Legal Services	450.00	894.00	3,008.00	823.00	1,757.00	3,295.00	1,322.00	1,322.00	907.00	742.00	1,512.00	1,142.00	14,852.00
Transfer													23,762.00
Total - Corporate Services	22,024.00	7,182.00	12,562.00	7,561.00	20,941.00	48,072.00	14,529.00	9,011.00	9,581.00	13,047.00	9,796.00	8,913.00	184,002.00
Category III													
Non-Corporate Services	19,128.55	19,128.55	19,128.55	19,128.55	19,128.55	11,804.47	11,804.47	11,804.47	11,804.47	11,804.47	11,804.47	11,804.47	178,274.04
Technology Services - Lan Management	1,698.00	1,698.00	1,698.00	1,698.00	1,698.00	1,698.00	1,698.00	1,698.00	1,698.00	1,698.00	1,698.00	1,698.00	5,374.00
Total - Non-Corporate Services	20,826.55	20,826.55	20,826.55	20,826.55	20,826.55	11,804.47	11,804.47	11,804.47	11,804.47	11,804.47	11,804.47	11,804.47	183,648.04
Total Profit on Non-Corporate Services	1,739.00	1,739.00	1,739.00	1,739.00	1,739.00	1,073.00	1,073.00	1,073.00	1,073.00	1,073.00	1,073.00	1,073.00	16,206.00
Gross Receipts Tax @	60.17	60.17	60.17	60.17	60.17	37.13	37.13	37.13	37.13	37.13	37.13	37.13	560.73
Total Gross Receipts Tax on Profit	60.17	60.17	60.17	60.17	60.17	37.13	37.13	37.13	37.13	37.13	37.13	37.13	560.73
Other Expenses	50,401.96	6,387.90	24,326.12	9,028.23	9,011.17	73,326.75	15,408.59	6,587.77	46,542.28	29,866.76	35,709.02	7,296.24	325,765.78
WOW 90238													
Accounts Payable													
APC													
Chas. Manhattan Bank Service Fee													
Melton Consultant													
Others													
Total AP													
Others													
Subsidiary Capital Tax													
Total WOW 90239													
Joint Purchasing Overhead Rate													
Zair Net													
Others													
Total - Other Expenses													
Employee Benefits													
Pensions	43,000.58	43,000.58	43,000.58	331,548.46	67,508.57	67,508.57	(73,433.61)	74,730.62	74,730.62	74,730.62	74,730.61	74,731.01	688,170.10
CPED	8,985.76	8,984.76	8,984.76	27,721.53	6,989.16	6,989.16	(9,392.46)	6,078.75	6,078.75	6,078.75	6,078.75	6,078.75	66,128.48
Pensions - Senior Management													
LTP Senior Management	75,754.74	479,254.74	75,754.74	(151,509.48)	23,428.50	23,428.50	19,342.00	19,342.00	19,342.00	19,342.00	19,343.00	19,343.00	478,264.74
DIP Senior Management	22,135.00	24,722.00	23,428.50	23,428.50	23,428.50	23,428.50	19,342.00	19,342.00	19,342.00	19,342.00	19,343.00	19,343.00	256,626.00
2004 Employee Benefits Reconciliation													63,630.00
Employee Relations - Health Benefits	85,885.31	99,280.71	44,484.21	62,359.57	83,417.80	94,968.93	68,558.71	161,673.83	107,110.86	73,276.06	76,516.00	90,839.94	1,037,097.03
Subsidiary Bonus													
LTP - 2005													
DIP - Regular													
DIP - Matching													
Total Employee Benefits	235,284.38	654,931.79	195,341.76	373,548.58	181,022.03	182,573.16	6,044.39	261,625.00	207,292.53	173,428.73	176,697.06	224,652.70	2,621,903.33
Total	\$ 341,086.06	\$ 689,316.41	\$ 253,384.93	\$ 353,473.53	\$ 234,804.82	\$ 319,413.51	\$ 49,483.87	\$ 250,614.97	\$ 271,903.41	\$ 229,842.09	\$ 234,954.26	\$ 264,259.54	\$ 3,333,945.88

Summary of Allocation Costs  
2008  
CED Operating Co, LP (Lakewood)

Category	January	February	March	April	May	June	July	August	September	October	November	December	Total
Salaries and Related Expenses													0
Directors													\$
Calisbody, JJ													
Corporate Services													2,312.00
Corporate Accounting						403.00							4,272.40
Tax		1,511.82		2,357.48	2,312.00								
Treasury													
Auditing													
Total - Corporate Services		1,511.82		2,357.48	2,312.00	403.00					11,532.00	5,045.00	18,577.00
Calisbody, JJ													23,161.40
Non-Corporate Services													
Total - Non-Corporate Services													
Total Profit on Non-Corporate Services													
Gross Receipts Tax @ 3.400%													
Total Gross Receipts Tax on Profit													
Other Expenses			8,010.80		4.84	8,010.80		478.11		8,012.34	1.54	2,025.94	29,544.17
WCF 68725													
Others													
Accounts Payable													
Marketing Consultant													
Book Consultant													
Pharmaceuticals/Coopers													
Total AP													
Total - WCF 68725													
Joint Purchasing Overhead Charges													
Others													
Total Other Expenses													
Employee Benefits													
Employee Relations - Health Benefits													
Total Employee Benefits													
Total	\$ 14,336.77	\$ 21,337.56	\$ 13,214.32	\$ 16,092.53	\$ 11,474.08	\$ 28,768.87	\$ 17,513.15	\$ 11,897.86	\$ 17,719.27	\$ 22,821.02	\$ 21,045.59	\$ 24,221.98	\$ 221,951.12
	\$ 14,336.77	\$ 21,337.56	\$ 13,214.32	\$ 16,092.53	\$ 11,474.08	\$ 28,768.87	\$ 17,513.15	\$ 11,897.86	\$ 17,719.27	\$ 22,821.02	\$ 21,045.59	\$ 24,221.98	\$ 221,951.12
	\$ 14,336.77	\$ 22,848.50	\$ 22,224.92	\$ 18,450.01	\$ 13,760.72	\$ 39,200.17	\$ 17,513.15	\$ 12,475.77	\$ 17,719.27	\$ 31,833.36	\$ 32,540.13	\$ 32,502.37	\$ 275,476.44



From: July 2005 To: June 2006 Account Type: O&M

Line: O-O&m Service: C-Common Business Function: Administrative & Control  
MAG Category: O-Operation  
MAG Code: 49-Operation - Administrative And Gene  
PSC Number: 92200- Administrative Expenses Transferred-credit

<u>Account</u>	<u>JEDC</u>	<u>Description</u>	<u>Actual</u>
05734	0842	Con Ed Solutions Transactions	\$ (349,201.48)
05734	0953	Con Ed Develop Transactions	(907,889.70)
05734	0982	Con Ed Energy Transactions	(492,650.10)
05734	0983	Con Ed Communication Transact	(54,241.30)
05734	0985	Con Ed Inc Transactions	(2,457,889.67)
05734	0993	Con Ed Energy Massachusetts, I	(2,127.52)
05734	1026	Ced Operating Co. L.p. (Iakewo	(22,962.44)
05737	0881	A&g Exp Transf-other-o&r	<u>(1,196,057.50)</u>
			(5,483,019.70)
05734	0503	Billing & Other Orders Transf	(3,390,453.84)
05734	0604	W I P Transfers & Corrections	(1,835,370.15)
05734	1101	General Billing Transactions	(53,058.14)
H4247	881	Cust Rec & Coll-shared Svcs-recpt	2,385,546.08
H5693	881	Visc Gen Exp-comm-fleet Admin Exp	(39,618.62)
05734	1526	Expenditures-cepac	<u>(2,617.24)</u>
			(2,935,571.91)
		Net Shared Services Billing	<u>\$ (8,418,591.61)</u>

From: July 2005 To: June 2006 Account Type: O&M  
 Line: O-O&M Service: C-Common Business Function: Administrative & Control  
 MAG Category: O-Operation  
 MAG Code: 49-Operation - Administrative And Gene  
 PSC Number: 92200- Administrative Expenses Transferred-credit

Account	JEDC	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Total	Less Co Labor	Excluding Co. Labor
05734	0842	59,166.50	-14,761.07	-20,325.88	-30,468.50	-28,366.10	-65,735.52	-22,150.82	-16,211.25	-40,881.82	-20,686.15	-17,432.15	-16,511.03	(352,728.77)	(3,527.29)	(349,201.48)
05734	0953	-291,912.75	-46,923.37	-15,500.88	-8,173.38	-22,573.70	-130,530.82	-32,703.14	-8,977.44	-229,218.43	-53,563.30	-32,563.57	-56,206.51	(917,060.30)	(9,170.80)	(907,889.50)
05734	0982	-41,367.11	-23,025.94	-54,720.01	-14,126.41	-48,123.04	-82,661.42	-52,135.51	-17,557.36	-63,178.08	-38,365.68	-25,048.96	-17,315.62	(497,656.36)	(4,976.26)	(492,680.10)
05734	0985	-38,407.15	-18,382.04	0	0	0	0	0	0	0	0	0	0	(54,789.19)	(547.89)	(54,241.30)
05734	0985	265,364.88	-142,082.30	-154,654.99	-334,111.10	-146,979.85	-241,443.33	-411,980.60	-198,977.65	-464,718.95	-233,182.77	-219,346.68	-200,353.62	(2,482,716.84)	(24,827.17)	(2,457,889.67)
05734	0985	0	-11,55	-18,06	-556.62	-122.81	-1,018.05	-11.55	-14.69	-13.76	-349.57	-12.61	-12.59	(2,149.01)	(21.49)	(2,127.52)
05734	1026	-10,127.92	-1,511.91	-10.8	-2,357.48	-413.8	-0.67	-10.8	-0.67	-10.8	-10.8	-11,532.00	-95,085.55	(23,194.36)	(231.94)	(22,962.44)
05737	0861	-100,638.06	-10,127.92	-151,721.00	-56,681.95	-29,086.03	-43,873.01	-122,982.20	-130,938.58	-312,421.95	-112,923.90	-183,759.82	-59,045.50	(1,196,057.50)	(11,965.57)	(1,184,091.93)
		(258,035.95)	(254,845.12)	(397,249.60)	(444,445.44)	(119,303.28)	(585,675.65)	(841,943.82)	(372,817.54)	(1,130,445.87)	(459,404.17)	(489,696.79)	(394,528.82)	(5,528,322.35)	(43,302.65)	(5,485,019.70)
05734	0503	-43,098.55	-499,054.35	3,010.95	-394,114.21	-1,752,103.82	-187,225.03	-537,060.18	-1,525.35	-1,622.27	-63,814.87	17,234.81	-4,226.98	(3,424,700.65)	(34,247.01)	(3,390,453.64)
05734	0604	-169,633.33	-169,054.11	-234,268.72	-187,008.99	-214,662.47	-205,473.84	-125,188.82	-68,867.38	-46,725.07	-295,890.23	-164,218.86	-13,036.42	(1,653,909.24)	(18,539.09)	(1,635,370.15)
05734	1101	-5,221.93	-18,182.38	-2,716.83	-3,512.02	-4,884.13	-2,026.68	-410.25	-5,163.89	-8,481.87	-3,189.08	0	-1,795.41	(53,594.00)	(535.94)	(53,058.06)
H4247	881													2,385,546.08		2,385,546.08
H5693	881													(39,818.82)		(39,818.82)
05734	1528	-172.47	-151.88	-138.68	-128.35	-120.05	-422.63	-320.38	-222.3	-188.18	-338.12	-175.96	-263.9	(9,515,242.74)	(26.44)	(9,488,975.81)
		(216,027.28)	(666,452.72)	(234,110.98)	(554,763.57)	(1,971,770.47)	(395,146.06)	(603,959.63)	(75,778.72)	(65,218.37)	(333,232.31)	(147,161.01)	(19,324.71)	(2,986,920.39)	(53,346.46)	(2,933,573.93)
Without Labor																(9,515,242.74)
Account	JEDC	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Total	Less Co Labor	Excluding Co. Labor
05734	0842	56,574.84	14,633.26	20,122.60	30,163.82	28,084.42	65,078.16	21,929.31	16,046.14	40,482.90	20,779.29	17,257.83	16,345.92	(949,201.48)	(9,492.01)	(939,709.47)
05734	0953	276,994.83	46,454.14	15,345.87	6,111.85	22,347.98	129,225.51	32,376.11	9,887.87	228,927.24	53,338.55	32,237.83	55,644.44	(907,888.70)	(9,078.88)	(898,809.82)
05734	0982	40,953.44	22,795.11	54,172.81	13,965.15	47,841.81	81,834.81	51,814.15	17,361.79	87,348.16	37,982.02	24,788.49	17,142.36	(487,650.10)	(4,876.50)	(482,773.60)
05734	0983	38,023.06	16,718.22	15,818.22	15,818.22	15,818.22	15,818.22	15,818.22	15,818.22	15,818.22	15,818.22	15,818.22	15,818.22	(54,241.30)	(542.41)	(48,798.89)
05734	0985	252,711.33	140,861.46	153,406.44	330,769.89	145,510.05	238,028.90	407,860.79	196,928.47	460,071.76	230,860.84	217,153.18	198,350.06	(2,457,889.67)	(24,578.89)	(2,433,310.78)
05734	0985	0	-11,43	(15.90)	(551.05)	(121.38)	(1,007.87)	(11.43)	(14.54)	(13.82)	(48.07)	(12.48)	(12.48)	(2,127.52)	(21.27)	(2,106.25)
05734	1026	100,638.06	10,127.51	151,721.00	56,681.95	29,086.03	43,873.01	122,982.20	130,938.58	312,421.95	112,923.90	183,759.82	59,045.50	(1,196,057.50)	(11,965.57)	(1,184,091.93)
05737	0881	254,481.97	252,397.94	394,794.31	440,807.51	116,908.49	580,457.92	636,754.00	370,200.75	1,122,265.63	455,039.37	486,636.43	381,575.38	(5,483,019.70)	(54,830.19)	(5,428,189.51)
05734	0503	42,668.55	484,163.81	2,960.84	380,473.07	1,734,302.78	185,352.78	532,500.58	1,510.10	1,804.03	63,178.72	17,082.46	4,184.71	(3,390,453.64)	(33,904.53)	(3,356,549.11)
05734	0604	167,838.00	157,683.57	231,928.03	185,138.90	212,515.85	203,419.10	123,917.13	68,178.71	46,257.82	263,231.33	162,577.66	12,806.06	(1,635,370.15)	(16,353.70)	(1,619,016.45)
H4247	881	(5,169.71)	(18,010.46)	(2,689.46)	(3,476.90)	(4,834.29)	(2,006.41)	(406.16)	(5,112.05)	(6,417.05)	(3,157.20)	(1,777.46)	(1,777.46)	(53,058.06)	(530.58)	(52,527.48)
H5693	881													2,385,546.08		2,385,546.08
05734	1528	(170.75)	(150.36)	(135.21)	(127.07)	(118.85)	(416.39)	(317.18)	(220.08)	(187.27)	(334.74)	(174.20)	(263.24)	(9,515,242.74)	(26.44)	(9,488,975.81)
		(215,947.01)	(659,786.19)	(231,769.87)	(549,216.93)	(1,952,052.77)	(391,196.60)	(603,959.63)	(75,778.72)	(65,218.37)	(333,232.31)	(147,161.01)	(19,324.71)	(2,986,920.39)	(53,346.46)	(2,933,573.93)
Net Shared Services Billing		(470,328.98)	(912,186.14)	(628,564.18)	(889,823.44)	(2,068,861.25)	(951,654.52)	(1,293,975.04)	(445,221.68)	(1,176,931.82)	(765,239.35)	(632,325.83)	(410,706.64)	(9,515,242.74)	(95,151.13)	(9,420,091.61)

From: January 2006 To: December 2006 Account Type: O&M

Line: O-0&M Services: C-Common Business Function: Administrative & Control  
MAG Category: O-Operation  
MAG Code: 49-Operation - Administrative And Gen  
PSC Number: 92200- Administrative Expenses Transferred-credit  
Account: 05734-AMg Exp Transf-cr-comm-othr

Account ID	JEDC	Description	Actual	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Total
05734	0500	Billing & Other Orders Transf	(3,624,700.85)													
05734	0500	Billings & Connections	(1,452,009.24)													
05734	0842	Con Ed Sales Trans	(352,728.77)													
05734	0853	Con Ed Develop Trans	(97,626.30)													
05734	0893	Con Ed Energy Transact	(54,766.19)													
05734	0895	Con Ed Inc Trans	(2,462,716.84)													
05734	0953	Con Ed Energy Massachusetts, I	(2,149,011)													
05734	1020	Ced Operating Co. L.p. (Irkawa)	(23,194.33)													
05734	1101	General Billing Trans	(53,584.04)													
05734	1526	Expenditures-capex	(2,643,899)													
		Total	(9,665,112.70)													
05737	0881	AMg Exp Transf/othr-olbr	(1,195,057.50)													
H4247	881	Coal Rec & Coalshred Svcs-need	2,385,546.08													
H5633	861	Misc Gen Exp-comm-feet/Admin Exp	(39,618.62)													
		Total	(8,515,242.74)													
		Less Labor:	(73,191.85)													
		Grand Total	(8,442,050.89)													

JEDC	Description	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Total
861	Change & Rckland Transactions	(100,838.08)	(10,127.51)	(151,721.00)	(56,651.95)	129,088.03	(43,973.01)	(122,862.20)	(130,038.35)	(312,621.95)	(112,923.90)	(183,791.82)	(89,865.55)	(1,186,057.50)



Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff9  
Date of Response: 07/19/2007  
Responding Witness: Accounting Panel

Question No. :183

Subject: FIT for Electric Production - Company Exhibit \_\_ (AP-10), Schedule 3, page 2 of 2, demonstrates the calculation of federal income taxes for electric production. This schedule indicates the same book depreciation as the statutory depreciation, in the amount of 12,629 for the historic period, and 28,540 for the rate year. a) Explain why there is no 263A reduction to the electric production plant.

Response:

The amortization of deferred taxes associated with the 263A deduction is reflected in total on Exhibit \_\_ (AP-9), Schedule 3, page 2 of 2. Company Exhibit \_\_ (AP-10), Schedule 3, page 2 of 2, is a Proforma allocation of federal income taxes that would be applicable to retained electric production plant. The purpose of this exhibit is to identify the portion of the Company's total revenue requirement that will be recovered through the Monthly Adjustment Charge. The Company did not allocate any of the 263A deferred taxes to electric generation because this item is under dispute with the Internal Revenue Service and it is anticipated that the final deduction to be allowed for electric production plant will be significantly reduced. The current amortization of 263A deferred taxes applicable to electric production plant is \$1.325 million. The Company will reflect this amount in the update along with a corresponding adjustment to the T&D rate increase shown on Exhibit \_\_ (AP-10).

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff10

Date of Response: 07/20/2007

Responding Witness: Gencarelli

Question No. :186

Subject: Interference Expenditures On page 10, lines 12-18, of the witness' testimony, he states "For the past four years, 100.7 percent of the commitments have resulted in expenditures in the next year." A review of the Company's Work sheet 3 for Exhibit\_\_(TMG-2) indicates that for the past four years (2003-2006, inclusive) the average is 98.3%, and that the 100.7% quoted by the Company is actually a five-year average. Confirm that using the four-year average reduces the rate year O&M interference costs by \$1.9 million.

Response:

Applying a four year average would lower the rate year O&M interference forecast by approximately \$1.9 million.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff16

Date of Response: 07/31/2007

Responding Witness: Accounting Panel

Question No. :300

Subject: Other Operating Revenues - Fuel Management Program  
The Company's Exhibit \_ (AP-5), Schedule 1, Page 2 of 6, provides the electric other operating revenues for the 12 months ending March 31, 2009. Line 16 - Fuel Management Program has revenues of \$99,000 forecasted for the rate year. The Company's Exhibit \_ (AP-1), Schedule 7, provides electric other operating revenues for the 12 months ending December 2003, 2004, 2005 and 2006. This exhibit shows Fuel Management Program revenues as \$109,000 in 2003, \$69,000 in 2004, \$245,000 in 2005, and \$99,000 in 2006. a) Please explain why the Accounting Panel (page 20, lines 15 and 16) used the historic year as the rate year forecast. b) Please explain all circumstances that occurred in 2005 that caused this revenue to be much higher than the other three years included in Exhibit \_ (AP-1), Schedule 7. Please include the justification as to why any of these circumstances do not apply to the rate year.

Response:

Revenues from this program will vary from year to year dependent upon the amount of available capacity, the price of oil, weather, etc. Accordingly, the Company concedes that the circumstances in 2005 could conceivably recur in the rate year, as could the circumstances in 2004, and would not object to using a three-year average.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff16  
Date of Response: 08/02/2007  
Responding Witness: Accounting Panel

Question No. :304

Subject: Business Discount Rate (BIR) The Company's rate base schedule, Exhibit AP-8, includes \$3.339 million "BIR discounts - recovery - net of tax" on line 21. a. Explain the nature of the line in rate base. b. Indicate the page number(s) of the company's testimony supporting the inclusion of the item in rate base. c. When were the costs/lost revenues deferred? d. Provide a schedule that shows monthly balances since the costs/lost revenues were initially deferred to date. Provide the reference to the Commission's authorization of the establishment of a regulatory asset to account for the costs/lost revenues associated with BIR. In the absence of Commission approval, has the Company sought such authority? If so, provide a copy of the Company's petition. e. Explain why the company is not seeking recovery of the costs/lost revenues related to BIR, but instead places the unamortized balance in rate base.

Response:

- a) The item reflects discounts provided to customers taking service under the Company's Business Incentive Rate (Rider J).
- b) See Accounting Panel Testimony, Page 72, lines 19 through 21, inclusive.
- c) Between November 2003 and August 2005.
- d) See schedule attached.  
See Settlement Agreement in Cases 00-M-0095, 96-E-0897, 99-E-1020, dated October 2, 2000, Pages 27-28 approved by the Commission on November 30, 2000.
- e) The Company believes it should be recovering these lost revenues in rates. Pending such recovery, consistent with historical practice, the Company has placed these lost revenues in rate base.

**PSC Staff Set #16**  
**Question # 304**

Business Incentive Rate Discounts Deferred

<u>Month</u>	<u>Deferral</u>	<u>Balance</u>
11/2003	\$901,991.40	901,991.40
12/2003	825,063.51	1,727,054.91
01/2004	192,745.73	1,919,800.64
02/2004	139,644.83	2,059,445.47
03/2004	90,590.28	2,150,035.75
04/2004	102,755.47	2,252,791.22
05/2004	167,935.25	2,420,726.47
06/2004	216,345.72	2,637,072.19
07/2004	246,132.98	2,883,205.17
08/2004	259,723.05	3,142,928.22
09/2004	348,418.31	3,491,346.53
10/2004	366,689.98	3,858,036.51
11/2004	165,616.17	4,023,652.68
12/2004	161,066.82	4,184,719.50
01/2005	158,728.71	4,343,447.67
02/2005	150,588.69	4,494,036.36
03/2005	150,465.17	4,644,501.53
04/2005	146,898.64	4,791,400.17
05/2005	0.00	4,791,400.17
06/2005	0.00	4,791,400.17
07/2005	0.00	4,791,400.17
08/2005	<u>344,998.19</u>	5,136,398.36
	<u>\$5,136,398.36</u>	

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff21  
Date of Response: 08/10/2007  
Responding Witness: Price

Question No. :374

Subject: Remediation Expenditures - Follow up to IR # DPS-171 In response to Staff's Information Request #DPS-171, the Company provided a spreadsheet identifying the environmental remediation expenditures (MGP, Superfund, Appendix B, and Astoria) for the period ending March 31, 2009. Confirm that all project costs listed on this spreadsheet for the rate year are net of all proceeds received, or to be received, by the company for the remediation work to be perform - including, but not limited to, reimbursements received from other PRPs, co-owners, or redevelopers; insurance proceeds; tax credits applicable to the participation in the New York State Department of Environment Conservation's BCP, or similar programs.

Response:

The project costs provided in the spreadsheet submitted in response to Staff 171 reflect anticipated expenditures by Con Edison after taking account of any cost sharing by property owners/developers, to the extent that their contributions have been agreed to. These project cost estimates do not reflect any other potential proceeds, such as insurance proceeds or tax credits.

With respect to insurance proceeds, Con Edison does not expect any recoveries during the rate year because it has previously entered into settlements with its excess liability insurance carriers and the proceeds of those settlements (in excess of \$40 million for MGP sites) have already been reflected in Con Edison's books.

With regard to BCP tax credits, Con Edison recently received (July 2007) BCP Certificates of Completion from the DEC for the River Place I and River Place II sections of the West 42<sup>nd</sup> Street Gas Works Site, thus making these properties eligible for BCP Site Preparation tax credits. We now therefore project that Con Edison will receive BCP Site Preparation tax credit of approximately \$400,000 (based on 20% tax credit on an estimated eligible capital cost of \$2 million) during the rate year with respect to the remediation of these properties.

With respect to Tangible Property tax credits for these properties, the amount of the potential credit will depend on the capital cost of the development being constructed on the properties. The Company does not expect to receive any portion of that tax credit until some time after the rate year.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff21  
Date of Response: 08/10/2007  
Responding Witness: Price

Question No. :376

Subject: Remediation Expenditures - Follow up to IR # DPS-171 In response to Staff's Information Request #DPS-171, the company provided a spreadsheet identifying the environmental remediation expenditures (MGP, Superfund, Appendix B, and Astoria) for the period ending March 31, 2009. In the "Projected Activities in RY1" column (column H) for the Purdy Street Station MGP site (line 35), the company states: "Remedial planning and possible start of remediation; schedule could vary depending on the Archdioces' (sic) input" a) What is the nature of the input to be provided by the Archdiocese? b) When does the Company expect the Archdiocese to submit its input? c) What role does the Archdiocese play in remediation of the Purdy Street Station MGP site? Are they an active participant? d) To what degree can the Archdiocese influence the remediation at the Purdy Street Station MGP site?

Response:

- a) The Purdy Street Station Site consists of a portion of the grounds of Saint Raymond's High School for Boys, a high school that is owned by the Roman Catholic Church of Saint Raymond of the Bronx and operated under the auspices of the Archdiocese of New York. The input that will be provided by Saint Raymond Church and the Archdiocese of New York (collectively the "Archdiocese") relates to the scope and the timing of the DEC-approved remediation program for the Purdy Street Station Site.

Because remediation of the affected portion of the grounds of the school to DEC's "unrestricted use" cleanup standards would necessitate the demolition of the school's gymnasium building, the remediation program being considered for the Purdy Street Station Site includes a "restricted use" cleanup coupled with engineering and institutional controls. Under the DEC's Voluntary Cleanup Program, remedies that include such controls can be approved by DEC

only if the owner of the property executes and records a Declaration of Restrictions and Covenants or an environmental easement that makes those controls binding on future property owners and enforceable against them by the DEC. Consequently, the Archdiocese's input on the scope of the remediation program for the Purdy Street Station and consent to any institutional controls called for by the program is essential.

The Archdiocese's input on the timing of the remediation work to be performed is also critical. Under its MGP Agreement with the DEC, Con Edison is required to obtain the access it needs to implement the DEC-approved investigation and remediation activities that the MGP Agreement obligates it to perform. Because of the impacts that the implementation of the work would have on the Archdiocese's ability to conduct classes at Saint Raymond's High School, it is unlikely that the Archdiocese would agree to the implementation of the DEC-approved remediation program for the Purdy Street Station Site while the school is in session. In September 2005, Con Edison sent several preliminary remedial alternatives to DEC and the Archdiocese for their review. This was followed by a meeting with the Archdiocese in 2006 that was also attended by DEC and the New York State Department of Health. To date, the Archdiocese has not provided Con Edison with its comments on the preliminary alternatives.

- b) Based upon recent discussions with the Archdiocese, it appears that the Archdiocese may be in a position to provide its comments on the preliminary remedial alternatives to the Company and the DEC later this year. For planning purposes, the Company is assuming that implementation of the DEC-approved remedy will occur during RY1.
- c) As explained above, the Archdiocese's consent is necessary for any remedy that does not achieve unrestricted use cleanup objectives and includes long-term institutional and engineering controls. Apart from executing a Declaration of Covenants and Restrictions or granting an environmental easement to the State of New York, the Archdiocese and the Company would also have to agree to the terms of the agreement under which Con Edison would implement the DEC-required post-remediation Site Management Plan for the affected portion of the Saint Raymond school property. At this time, Con Edison does not anticipate them [sic] to

have an active role in carrying out the actual remediation of the site.

- d) As discussed above, the Archdiocese can force Con Edison and DEC to eliminate certain remedial alternatives by withholding its consent to one or more of the institutional and engineering controls. In addition, it can also express its preference with respect to which of the alternatives will likely have less impact on the use of the property during remediation. To the extent that the various remedial options are equally protective of public health and the environment as well as being cost-effective, the Company and DEC will likely accommodate the preference of the owner.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff21

Date of Response: 08/10/2007

Responding Witness: Price

Question No. :377

Subject: Remediation Expenditures - Follow up to IR # DPS-171 In response to Staff's Information Request #DPS-171, the Company provided a spreadsheet identifying the environmental remediation expenditures (MGP, Superfund, Appendix B, and Astoria) for the ending March 31, 2009. In the "Projected Activities in RY1" column (column H) for the W. 45 Street Gas Works MGP site (line 37), the company states: "Remediation at Intrepid parking lot assuming the site will be redeveloped by the owner" a) Is the entire \$9.4 million forecasted for the projected activity dedicated to the remediation at Intrepid parking lot? b) Provide affirmative evidence that the owner will in fact redeveloped the Intrepid parking lot.

Response:

a) Yes.

b) In 2005, the Company was informed by the Intrepid Foundation that the State of New York, which owns the parking lot, was planning to redevelop the property. The Company has subsequently received some preliminary information from the Intrepid Foundation on the redevelopment plan, but no detailed design or firm schedule has been provided. Because combining the remediation of the Intrepid parking lot with its redevelopment will likely result in significant cost savings to Con Edison and its customers, the Company does not plan to proceed with remediation of the parking lot until the property is ready to be redeveloped.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff22  
Date of Response: 08/13/2007  
Responding Witness: Accounting Panel

Question No. :392

Subject: Public Affairs Program Change Company Exhibit AP5, Schedule 8, included \$6.897 million program change on line 63 under Informational Advertisement. This program change represents the electric allocation of \$8.5 million total company costs for expanding the Energy Information and the We're Working for You 24 7 communication programs, according to the Accounting Panel testimony. This program change represents 81 percent of the \$10,501 million total historic year spending on public awareness and energy information programs. a. What are the circumstances which drive the Company to expand the two communications programs? Provide justification for the need to expand the programs. b. How would the increase benefit customers? Provide a cost-and-benefit analysis. c. Did the Company perform any activities under the Energy Information and We're Working for You 24 7 programs during the historic periods? If yes, provide costs incurred for the 12-month periods ended December 31, 2004 through 2006. d. If the answer to c) is no, why not?

Response:

- a) As described in the Accounting Panel testimony, communication and public outreach are critical to Con Edison. Our goal is to keep the public and our customers educated about energy consumption, energy efficiency and how they can communicate with Con Edison on a regular or emergency basis. We want to inform our customers and the public about topics such as the need to maintain and enhance the electric infrastructure, energy conservation and potential minority or women-owned business opportunities. Con Edison uses a wide array of media and vehicles to convey these messages. But the most effective tool for reaching a broad audience is marketing and advertising. This is the best mechanism for reaching millions of people in our customer service area. We rely

on a wide variety of outlets including major daily print publications. We also advertise in more than 100 local weekly community and ethnic publications, as well as "in-language" publications that reach customers who do not speak English. Our radio advertising allows us to reach a broad spectrum of the population, including bi-lingual communities. The outdoor advertising campaign, which includes subways, telephone kiosks and Metro North platform posters, is highly effective because it reaches millions of people who live or work in our service territory.

The expansion of the program will allow Con Edison to more effectively reach a broad audience in the New York City metropolitan media market. In a media market that is as competitive and large as New York's, an effective marketing campaign must be sustained over a period of time. Placing advertisements that only appear for a short period or in a few publications gets lost in the mix. Conveying information about topics such as energy efficiency or the importance of the electric infrastructure for New York City's growth needs to be part of an ongoing, annual campaign. The current funding, given the large number of publications and media outlets in New York and high expense, is not sufficient to maintain an annual program. We are generally limited to a summer program, with sporadic advertisements throughout the rest of the year. Furthermore, with increased funding, we can reach out to the diverse populations of New York City by increasing our placements in community and ethnic publications.

b) As indicated above, the enhanced program will benefit Con Edison's customers because they will become more educated consumers of Con Edison's services. The information that will be presented to them may help them reduce costs, avoid unnecessary delays in getting service or help them conserve energy. The benefit to the customer is that they will have access to more information on how they can take control of their energy usage. Though a cost/benefit analysis has not been prepared, there is wide recognition that greater communication and outreach with the public Con Edison's customers is important.

c) Yes, the Company did perform these programs from 2004 to 2006. The costs are listed below:

**YEAR 2004**

Energy Education: \$3,300,000

Working for You: \$520,000

**YEAR 2005**

Energy Education: \$3,400,000

Working for You: \$545,000

**YEAR 2006**

Energy Education: \$3,200,000

Working for You: \$2,800,000

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff25  
Date of Response: 08/17/2007  
Responding Witness: Price

Question No. :430

Subject: Remediation Expenditures - Follow up to Staff IR DPS-170 In response to Staff's IR DPS-170, the company provided a spreadsheet identifying the environmental remediation expenditures (MGP, Superfund, Appendix B, and Astoria) for the twelve months ended March 31, 2006; March 31, 2007; and for the period April 1, 2007 through June 30, 2007. For the three month period April 1, 2007 through June 30, 2007, the company reported \$6.6 million of remediation expenditures; \$26.4 million on an annualized basis for the twelve months ending March 31, 2008. Exhibit \_\_ (EJR-1), Schedule 4, page 3 of 3, projected \$76.9 million of remediation expenditures for the twelve months ending March 31, 2008. Provide monthly budget projections for remediation expenditures for the period July 1, 2007 through March 31, 2008. Provide this information in the same manner as provided in response to Staff's IR DPS-170.

Response:

The Company forecasts quarterly (not monthly) expenditures for its MGP, Superfund, Astoria, and Appendix B sites. The attached spreadsheet provides the most recent forecasted quarterly expenditures for the period from July 1, 2007 through March 31, 2008.

As indicated on pages 35 and 36 of the testimony of Randolph S. Price, the forecast expenditures are based on the anticipated investigation and remediation activities and are updated on a quarterly basis to reflect changes to the status of the sites. At the time of the Company's filing, the total expenditures for the MGP, Superfund, Astoria, and Appendix B programs was projected to be \$76.9 million for the 12-month period ending March 31, 2008, with \$64.2 million of this amount expected to be spent from July 1, 2007 through March 31, 2008. However, the most recent quarterly update of the projected expenditures prepared at the end of June 2007 shows that the total estimated costs of all these programs during the nine-month period ending March 31, 2008 will be \$49.0 million or a total of \$55.6 million

for the 12-month period ending March 31, 2008. The table below summarizes the changes in projected expenditures.

	(\$ million)	
	<u>Original Forecast</u>	<u>6/07 Update</u>
4/1/07 - 6/30/07	\$12.7	\$6.6(actual expenditures)
7/1/07 - 3/31/08	\$64.2	\$49.0
4/1/07 - 3/31/08	\$76.9	\$55.6

The primary reason for the lower updated projection in expenditures is because the implementation of the DEC-approved remediation program for the Pelham Gas Works MGP Site will likely begin in January 2008 instead of October 2007. As a result of the later start of remediation activities at this site, the anticipated costs that will be incurred by the Company for this site will only be approximately \$12.1 million during the period from July 1, 2007 through March 31, 2008, compared to the original forecasted expenditures of \$31.1 million, or a reduction of \$19 million, for the same period. The Company will reflect the decrease in the update stage later in this proceeding.

Price/Electric Rate Case Linkage Period

Site #	Investigation/Remediation	6/07 Updated Expenditure Projections (in \$000)				Projected Activities During This Period	Remedial Actions <sup>(1)</sup>		
		2007		2008			Remediation Start Date <sup>(2)</sup>	Actual/ Projected Completion Date <sup>(2)</sup>	Projected % Complete By 3/31/08 <sup>(2)</sup>
		3Q	4Q	1Q	Total				
<b>Appendix B Sites</b>									
2	East River Area	150	150	50	350	Product recovery, additional investigation	On-going	Unknown	Unknown
4a	12th St & 41st Ave	10	10	10	30	Product recovery	On-going	Unknown	Unknown
7a	FRD/E71st St (Pipeline 2)	0	0	115	115	Site investigation			
12	Farragut	45	45	5	95	Reporting, groundwater monitoring			
14	Hudson Ave.	400	400	400	1200	Reporting, remedial planning, remediation	3Q07	4Q08	50
16A	Rainey (Substation)	5	0	0	5	Final reporting	2006	2006	100
20	Hellgate Area(Locust Ave)*	1	1	1	3	Groundwater monitoring			
25	PL7/Kent Avenue Manholes	75	25	25	125	Investigation & remediation	2Q07	3Q08	75
56	Broadway/131st St - 141st St	28	10	0	38	Investigation & reporting			
67	Morris Pk Av /E180th St-Bronx	125	50	25	200	Investigation & reporting			
69	Broadway/108th St - 125th St	11	5	0	16	Investigation, periodic infrequent remediation in subway	On-going	Unknown	Unknown
79	Vernon Blvd/Queens Combined Site (includes Sites 1, 4, 16, 26, 40, & 79)	285	275	655	1115	Investigation			
83	Dunwoodie S/S	10	5	5	20	Investigation, groundwater monitoring			
84	Elmsford S/S	15	15	15	45	Product recovery, groundwater monitoring	On-going	Unknown	Unknown
	App B Medium Priority Sites	45	250	250	545	Investigation & reporting			
	<b>Subtotal - Appendix B</b>	<b>1295</b>	<b>1241</b>	<b>1456</b>	<b>3902</b>				
<b>Superfund Sites</b>									
	Echo Ave	5	5	0	10	Reporting (finalize summary report)	Pre-4/1/05	Pre-4/1/05	100
	Arthur Kill OU2	50	50	100	200	Remedial planning			
	N 1st St Terminal/Fyn Paint	110	110	110	330	Groundwater treatment by Fyn Paint under VCA w/DEC	4/07	2Q08	90
	Curcio SF Site	25	25	25	75	Groundwater monitoring	Pre-4/1/05	Pre-4/1/05	100
	Maspeth	100	20	12	132	Remediation, reporting, groundwater monitoring	2Q05	3Q07	100
	<b>Subtotal Superfund</b>	<b>290</b>	<b>210</b>	<b>247</b>	<b>747</b>				
<b>Astoria Site</b>									
	Astoria (Corrective Action)	255	300	400	955	Investigation, reporting, remedial planning			
	Astoria (Continue Current IRM)	15	15	15	45	Product recovery, groundwater monitoring	Pre-4/1/05	Unknown	Unknown
	Astoria NSY Remediation	100	500	2000	2600	Risk assessment, remedial planning, remediation (removal of PCBs, PAHs, lead contamination)	1Q08	3Q08	33
	<b>Subtotal Astoria Site</b>	<b>370</b>	<b>815</b>	<b>2415</b>	<b>3600</b>				
<b>MGP Sites</b>									
	Farrington Holder	7	8	7	22	Post remediation monitoring, annual certification	Pre-4/1/05	Pre-4/1/05	100
	White Plains MGP	517	517	500	1534	Investigation and remedial planning			
	Hunts Point Compressor Station	0	0	4	4	Post remediation monitoring and annual certification	Pre-4/1/05	Pre-4/1/05	100
	Hunts Point EDC site	50	50	331	431	Investigation and remediation, managed by NYCEDC	On-going	Unknown	Unknown
	Tarrytown	2500	0	0	2500	Post remediation monitoring and annual certification	5/04	1/05	100
	173rd Street MGP (Starlight Park)	5000	4000	25	9025	Remediation and post remediation monitoring	11/06	9/07	100
	Purdy Street Station	100	100	100	300	Remedial planning			
	W 42nd Street Gas Works	600	600	25	1225	Additional excavation and post remediation monitoring	6/05	2/06	100
	W 45th Street Gas Works	50	25	100	175	Investigation			
	W 18th Street	2000	1000	3000	6000	Multiple parcels: remediation of two parcels and investigation of others			Varies for each parcel
	E 99th Street	0	200	0	200	Investigation			
	E 32nd Street Station	0	30	150	180	Investigation			
	Cedar St. Works	70	70	70	210	Investigation			
	Unionport Works	200	100	0	300	Investigation			
	Ossining Works - Ossining	250	250	0	500	Investigation			
	Pearl Ave Works - Peekskill	100	50	50	200	Investigation			
	Cross/Little Water St. Holder Station	250	50	0	300	Investigation			
	E 137th Street Station	0	0	125	125	Investigation			
	E 138th Street Station	0	0	125	125	Investigation			
	E 11 Street Works	50	100	0	150	Remedial planning			
	E 14th Street Works - East River	40	40	50	130	Remedial planning			
	E 14St, E 17 St & E 19th St (Stuy Town)	0	100	50	150	Remedial planning			
	E 21st Street (PCV)	50	100	735	885	Investigation and remedial planning			
	Mt Vernon Works	100	500	500	1100	Remedial planning and preparation			
	Central Ave - Peekskill	150	100	10	260	Investigation			
	Hester Street Gas Works	50	0	0	50	Investigation			
	Roosevelt Street Station	75	10	0	85	Investigation			
	E 115th Street MGP	52	53	20	125	Remedial planning			
	E 108th Street MGP	100	0	0	100	Investigation			
	E 111th Street MGP	150	0	0	150	Investigation			
	York Ave	100	0	0	100	Investigation			
	W 132nd Street Station	125	350	0	475	Investigation			
	Zeraga Avenue Station	150	150	0	300	Investigation			
	E 175th Street Station	25	125	125	275	Investigation			
	Rye Gas Works - Rye	50	50	200	300	Investigation			
	Saw Mill River Station - Yonkers	30	120	125	275	Investigation			
	Greenburgh Station - Greenburgh	125	125	125	375	Investigation			
	Hastings on Hudson	0	10	0	10	Investigation			
	Pelham Gas Works - Pelham Manor	100	2000	10000	12100	Remedial planning and preparation, remediation	4Q07	2Q09	20
	<b>Subtotal MGP Sites</b>	<b>13216</b>	<b>10983</b>	<b>16552</b>	<b>40751</b>				
<b>Total Remedial Managed Projects</b>		<b>15081</b>	<b>13249</b>	<b>20670</b>	<b>49000</b>				

Notes

- These columns are completed only for sites for which remediation activities have been completed, are underway or that are planned to begin during the period 7/07-3/08. They are not completed if remediation will begin after 3/08 or for other activities, such as site investigation, remedial planning, or groundwater monitoring.
- Dates and percentages are specified for remediation field activities only. Dates and percentages are not specified for remediation involving long-term product recovery or treatment since those activities have unknown end dates.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff25  
Date of Response: 08/17/2007  
Responding Witness: Gencarelli

Question No. :434

Subject: Interference Expenditures In the workpapers 1 and 2 for Exhibit\_\_ (TMG-2), there is a discrepancy for the 2003 Con Edison Interference O&M expenditures. Work sheet 1 indicates that the 2003 Con Edison Interference O&M expenditures were \$71,102,000; while Work sheet 2 indicates that the 2003 expenditures were \$68,575,164. Confirm which amount is correct.

Response:

The correct amount is \$68,575,164.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff25

Date of Response: 08/17/2007

Responding Witness: Accounting Panel

Question No. :435

Subject: Interference Expenditures Company witness Gencarelli submitted testimony supporting the company's rate year interference expenditures. On page 2, line 24 through page 3, line 2, of his testimony, the witness forecasts the amount of rate year O&M interference to be \$81.3 million, excluding labor. This forecast was based on a ratio of capital commitments projected by New York City to be completed during the rate year. On page 4, line 4, of witness Gencarelli's testimony, the witness forecasts an additional \$18 million of interference for Lower Manhattan. As a result, the total interference expenditures forecast for the rate year is \$99.3 million. Exhibit\_\_ (AP-5), Schedule 1, page 3 of 6, line 42, indicates a rate year interference expenditures of \$106,443 million. A review of Exhibit \_\_ (AP-5), Schedule 1, page 3 of 6 reveals that the panel used the historic test year interference expenses of \$53.9 million, which includes approximately \$2.3 million of Company labor (as indicated in Exhibit\_\_ (TMG-1)) as its starting point. The panel increased the historic level and forecasted program changes of \$47.7 million by the general escalator to arrive at the \$106,443 million. a. Is the \$2.3 million of labor included in the historic interference expenses already captured in the expense item "Company Labor", Exhibit\_\_ (AP-5), Schedule 1, page 3 of 6, line 16? b. Witness Gencarelli's interference forecasts are based on a ratio of capital commitments projected by New York City to be completed during the rate year. As such, these forecasts are presented in rate year dollars. Explain why the company has increased these costs by general escalation factor.

Response:

- a. No. The \$2.3 million of labor was inadvertently included in the historic interference expenses on line 42. It should have been included in Company Labor, line 16.

- b. The preliminary update submitted by the Company on August 8, 2007, eliminated the application of the general inflation factor to these costs.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff26  
Date of Response: 08/22/2007  
Responding Witness: Accounting Panel

Question No. :436

Subject: Inflation - 1. For Exhibit \_\_ (AP-5) Schedule 1 page 3 of 6, identify for each program change if that program change is based on (A) current costs or (B) forecasted costs. 2. For each program change listed in Exhibit \_\_ (AP-5) Schedule 1 page 3 of 6, identify if that program change includes inflation. If it does include inflation, please provide the amount of inflation and how it was calculated.

Response:

1. The program changes on line items 9-20, 29-39, 42-48, 56-57, 65-66, 69-72, 76, and 79-82 are based on current costs. The program changes on other lines are based on forecasted costs.
2. For the program changes based upon current costs, the following program changes reflect an inflation factor other than the general escalation factor. Line 7 includes an inflation rate of 8% on the employee welfare portion of the fringe benefits on new employees (see the Accounting Panel Workpapers to Exhibit \_\_ (AP-5), Schedule 8, Program Changes for line 49, Fringe Benefits - New Employees). Line 28 also includes inflation and the various inflation factors used can be found on Company Exhibit \_\_ (HJR-1), page 1. The program change of \$5.354 million for Insurance Premiums on line 41 assumes a 10%/annum increase in premiums after expiration. The effect of the specific escalation is some \$ 2 million. The Company intends to update for insurance premiums later in this proceeding. The program change of \$957,000 for Postage on line 56 includes a specific escalation rate of 7.6% to December 2008. See Accounting Panel Workpapers to Exhibit \_\_ (AP-5), Program Changes for line 56. The Company will revise the additional general escalation added to reflect only escalation from December 2008 to March 2009 later in

the update stage of this proceeding. The program change of \$403,000 for Water on line 79 includes a specific escalation rate of 8.7%/annum. The current water rate is \$18.10/mcf and with 8.7%/annum escalation, the water rate used in the rate year is \$21.39/mcf and is applied to the applicable water volume. The Company will update for the actual water escalation rate later in the proceeding and remove any general escalation not needed. See also response to Staff 435.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff28

Date of Response: 08/24/2007

Responding Witness: Accounting Panel

Question No. :462

Subject: Labor - In the testimony of the Accounting panel, page 56, line 5-7 states "Seven of the twelve incremental employees are a result of an assessment performed by KPMG LLP ("KPMG") of the tax function in the Company." a) Provide copies of the aforementioned assessment performed by KPMG LLP. b) Did KPMG provide assessments of other departments? If the answer is yes, provide copies of those assessments. c) Provide CECONY's cost benefit analysis and supporting documents for the addition of the aforementioned twelve incremental employees. d) Provide Salary and Job description for each of the twelve employees. e) Provide start dates for any of the aforementioned twelve employees that have been hired and anticipated start dates for the others. f) For each year from 2004- 2006 provide the Total Labor cost for the Accounting and Finance Department and the total number of employees by title. g) Please provide the forecasted Total Labor cost for the Accounting and Finance Department and the total number of employees by title for the Rate Year.

Response:

- a) The KPMG review is considered confidential.
- b) No.
- c) Available supporting documents for all program changes were delivered to the Commission shortly after its original filing.
- d) 1 Vice President - Tax at \$230,000  
6 Senior Tax Accountants - Tax at \$125,000 each  
2 Senior Analysts - Treasury at \$90,000 each  
1 Analyst - Treasury at \$85,000  
1 Accountant - Regulatory Filings at \$80,000  
1 Accountant - Financial Reporting at \$80,000

The job descriptions were included in the work papers entitled "Accounting Panel Workpapers to Exhibit (AP-5), Schedule 8, Program Changes" for Line 64.

- e) The Company filled the Vice President position in the Tax department on March 1, 2007. A Senior Tax Accountant started on March 30, 2007 and two people have accepted positions in Tax and are expected to join the Company on September 1st. The Company anticipates hiring the other employees as soon as possible. The actual starting dates will depend on finding qualified candidates. Filling the positions with qualified candidates with tax expertise or MBAs is a particularly time consuming effort and at this point the Company anticipates filling all of the positions before the end of 2007.
- f) The following data is for the Finance Organization which includes the Accounting Department. 10 System & Development Control employees and their associated compensation in 2004 and 2005 (11 in 2006) are excluded because these employees were transferred to the responsibility of the Information Resources Department in 2007 and are not in the forecasted rate year data shown in part "g."
- |      |   |              |   |                           |
|------|---|--------------|---|---------------------------|
| 2004 | - | \$24,956,000 | - | 301 employees at year end |
| 2005 | - | \$25,477,000 | - | 270 employees at year end |
| 2006 | - | \$26,067,000 | - | 274 employees at year end |
- g) The Company forecasts a total labor cost of approximately \$29.7 million and 290 employees for the Finance Organization in the Rate Year.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff30  
Date of Response: 08/28/2007  
Responding Witness: Reyes

Question No. :477

Subject: Employee Welfare Expenses - Net In the Company's Exhibit \_ (AP-5) Schedule 10, line 28 - Employee Welfare Expenses - Net, the Company indicates that a planned update would be completed by the Company's witness Reyes. The Preliminary Update provided in this proceeding did not include an update to Employee Welfare Expenses - Net. Please provide the actual latest known through June 30, 2007.

Response:

An update was not prepared for Employee Welfare Expenses because the original exhibit was prepared using 2007 premiums and the 2008 premiums have not been established at this time.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff30  
Date of Response: 08/24/2007  
Responding Witness: Accounting Panel

Question No. :478

Subject: Pension/OPEB costs Attached is a summary of Pension and OPEB costs, actual and rate allowances, for the period April 1997 through March 2005. The summary was prepared by staff based on information previously provided by Con Edison in various rate proceedings. Please certify that to your knowledge the data contained in the summary is accurate.

Response:

The Company concurs that the actual Pension and OPEB electric expense shown on the bottom of Staff's attachment are correct. We would note that, while the Company's rate plans for the period covering April 1, 1997 through March 31, 2005 were the result of negotiated agreements, the pension and OPEB expense levels upon which those agreements were based could be assumed to be equivalent to the levels shown on the top of the attachment.

Consolidated Edison of New York Inc  
Pension/OPEB expense - Electric  
Rates and Actual

	9 months									Jan-Mar	
	Dec-97	1998	1999	2000	2001	2002	2003	2004	2005	Total	
<b>Rates</b>											
Pension	\$ 5,475,000	\$ 7,300,000	\$ 7,300,000	\$ (92,807,750)	\$ (126,177,000)	\$ (126,177,000)	\$ (126,177,000)	\$ (126,177,000)	\$ (31,544,250)	\$ (608,985,000)	
OPEB's	45,075,000	60,100,000	60,100,000	49,763,500	46,318,000	46,318,000	46,318,000	46,318,000	11,579,500	411,890,000	
<b>Total</b>	<b>\$ 50,550,000</b>	<b>\$ 67,400,000</b>	<b>\$ 67,400,000</b>	<b>\$ (43,044,250)</b>	<b>\$ (79,859,000)</b>	<b>\$ (79,859,000)</b>	<b>\$ (79,859,000)</b>	<b>\$ (79,859,000)</b>	<b>\$ (19,964,750)</b>	<b>\$ (197,095,000)</b>	
<b>Actuals</b>											
Pension	\$ 5,717,135	\$ (32,028,256)	\$ (61,017,233)	\$ (154,396,018)	\$ (202,168,623)	\$ (200,099,467)	\$ (132,127,441)	\$ (102,482,055)	\$ (6,965,128)	\$ (885,587,085)	
OPEB's	47,933,853	59,358,685	56,822,900	25,896,369	30,950,080	24,030,340	21,787,367	13,746,720	5,783,662	286,109,976	
<b>Total</b>	<b>\$ 53,650,988</b>	<b>\$ 27,330,430</b>	<b>\$ (4,194,333)</b>	<b>\$ (128,699,649)</b>	<b>\$ (171,238,543)</b>	<b>\$ (176,069,128)</b>	<b>\$ (110,340,074)</b>	<b>\$ (88,735,335)</b>	<b>\$ (1,181,465)</b>	<b>\$ (599,477,108)</b>	

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff30

Date of Response: 08/24/2007

Responding Witness: Accounting Panel

Question No. :479

Subject: Long Island City Costs In Case 06-E-0894 the Company's actions proceeding, during and after the July 2006 equipment failures and power outages in the Long Island City Network are the subject of a prudence proceeding. 1) Please identify all costs related to the outage and the company's restoration efforts that have been included in the company's rate case filing. 2) Regarding capitalized costs please provide the level of costs included in plant in service and the costs charged to the depreciation reserve for the retirement of damage equipment as of 12/31/2006. 3) Please verify that costs identified in response to question 2 have been included in the company's rate base request. 4) Provide the level of additions to plant in service and retirement costs related to the LIC outage for the bridge period and rate year that the company has included in its rate base request. 5) Provide the rate year depreciation expense the company has included in its rate case request for LIC related investments identified above. Pursuant to the terms of the company current electric rate plan, the company is authorized to defer the revenue requirement impact of any variation in the actual net plant balance from the level provided in rates. 6) Have the LIC related capital and retirement costs been included in this reconciliation? 7) Provide a calculation of the carrying costs the company accrued and deferred on the net plant impact of the LIC event as of December 31, 2006. 8) Provide a calculation of the estimated carrying costs the company expects to defer on the net plant impact of the LIC event through March 31, 2008.

Response:

1. \$11.3 million. See Attachment A --- TAB 1, below.

2. There is approximately a balance of \$2.7 million included in Net Plant. The \$2.7 is made up of a Bookcost Retired amount of

\$3.7 million net \$1.0 million of Depreciation Reserve (Accumulated Depreciation). Please note that the \$2.7 million unrecovered costs are for all costs associated with the Long Island City Network, i.e., restoration, reinforcement and planned work.

3. Yes, they have been included.

4. See response to question 1 - Attachment A ---- TAB 1

5. \$240,000. For detail, see response to question 1 - Attachment A---TAB 1

6. Yes, they have been included.

7. See Attachment B -- Tab A, below

8. See response to question 7 - Attachment B---Tab A.

**North Queens Carrying Charges - Restoration ----TAB 1**

Millions of \$'s

	Bookcost		Depreciation Reserve			Net Plant	
	New Capital	Balance	Depreciation	Net Retirement	Total	Balance	Balance
Jul-06	2.23	2.23	0.00	0.14	(0.14)	(0.14)	2.37
Aug-06	9.22	11.45	0.00	2.87	(2.87)	(3.00)	14.45
Sep-06	(0.47)	10.98	0.02	0.94	(0.92)	(3.92)	14.90
Oct-06	(1.16)	9.82	0.02	(1.09)	1.11	(2.81)	12.63
Nov-06	2.19	12.01	0.02	1.20	(1.18)	(3.99)	16.00
Dec-06	(0.71)	11.30	0.02	(0.19)	0.21	(3.79)	15.09
Jan-07	0.00	11.30	0.02	0.00	0.02	(3.77)	15.07
Feb-07	0.00	11.30	0.02	0.00	0.02	(3.75)	15.05
Mar-07	0.00	11.30	0.02	0.00	0.02	(3.73)	15.03
Apr-07	0.00	11.30	0.02	0.00	0.02	(3.71)	15.01
May-07	0.00	11.30	0.02	0.00	0.02	(3.69)	14.99
Jun-07	0.00	11.30	0.02	0.00	0.02	(3.67)	14.97
Jul-07	0.00	11.30	0.02	0.00	0.02	(3.65)	14.95
Aug-07	0.00	11.30	0.02	0.00	0.02	(3.63)	14.93
Sep-07	0.00	11.30	0.02	0.00	0.02	(3.61)	14.91
Oct-07	0.00	11.30	0.02	0.00	0.02	(3.59)	14.89
Nov-07	0.00	11.30	0.02	0.00	0.02	(3.57)	14.87
Dec-07	0.00	11.30	0.02	0.00	0.02	(3.55)	14.85
Jan-08	0.00	11.30	0.02	0.00	0.02	(3.53)	14.83
Feb-08	0.00	11.30	0.02	0.00	0.02	(3.51)	14.81
Mar-08	0.00	11.30	0.02	0.00	0.02	(3.49)	14.79
Apr-08	0.00	11.30	0.02	0.00	0.02	(3.47)	14.77
May-08	0.00	11.30	0.02	0.00	0.02	(3.45)	14.75
Jun-08	0.00	11.30	0.02	0.00	0.02	(3.43)	14.73
Jul-08	0.00	11.30	0.02	0.00	0.02	(3.41)	14.71
Aug-08	0.00	11.30	0.02	0.00	0.02	(3.39)	14.69
Sep-08	0.00	11.30	0.02	0.00	0.02	(3.37)	14.67
Oct-08	0.00	11.30	0.02	0.00	0.02	(3.35)	14.65
Nov-08	0.00	11.30	0.02	0.00	0.02	(3.33)	14.63
Dec-08	0.00	11.30	0.02	0.00	0.02	(3.31)	14.61
Jan-09	0.00	11.30	0.02	0.00	0.02	(3.29)	14.59
Feb-09	0.00	11.30	0.02	0.00	0.02	(3.27)	14.57
Mar-09	0.00	11.30	0.02	0.00	0.02	(3.25)	14.55

**Total** 11.30 3.87

**Ave Rate Period - March 2009** \$11.30

(\$3.37) \$14.67

**Carrying Charge**

Carrying Charge	
Return	\$1.25
Depreciation	0.24
FIT	0.82
Property Tax	0.88
	<b>\$3.19</b>

**North Queens Carrying Charges - Reinforcements ----TAB 2**

Millions of \$'s

	Bookcost		Depreciation Reserve			Net Plant	
	New Capital	Balance	Depreciation	Net Retirement	Total	Balance	Balance
Jul-06	4.09	4.09	0.00	0.00	0.00	0.00	4.09
Aug-06	5.64	9.73	0.01	0.40	(0.39)	(0.39)	10.12
Sep-06	5.56	15.29	0.02	0.68	(0.66)	(1.05)	16.34
Oct-06	3.36	18.65	0.03	0.85	(0.82)	(1.87)	20.52
Nov-06	5.05	23.70	0.03	0.12	(0.08)	(1.96)	25.66
Dec-06	1.42	25.12	0.04	0.03	0.01	(1.94)	27.07
Jan-07	0.00	25.12	0.04	0.00	0.04	(1.90)	27.02
Feb-07	0.00	25.12	0.04	0.00	0.04	(1.85)	26.98
Mar-07	0.00	25.12	0.04	0.00	0.04	(1.81)	26.93
Apr-07	0.00	25.12	0.04	0.00	0.04	(1.77)	26.89
May-07	0.00	25.12	0.04	0.00	0.04	(1.72)	26.84
Jun-07	0.00	25.12	0.04	0.00	0.04	(1.68)	26.80
Jul-07	0.00	25.12	0.04	0.00	0.04	(1.63)	26.76
Aug-07	0.00	25.12	0.04	0.00	0.04	(1.59)	26.71
Sep-07	0.00	25.12	0.04	0.00	0.04	(1.55)	26.67
Oct-07	0.00	25.12	0.04	0.00	0.04	(1.50)	26.62
Nov-07	0.00	25.12	0.04	0.00	0.04	(1.46)	26.58
Dec-07	0.00	25.12	0.04	0.00	0.04	(1.41)	26.54
Jan-08	0.00	25.12	0.04	0.00	0.04	(1.37)	26.49
Feb-08	0.00	25.12	0.04	0.00	0.04	(1.32)	26.45
Mar-08	0.00	25.12	0.04	0.00	0.04	(1.28)	26.40
Apr-08	0.00	25.12	0.04	0.00	0.04	(1.23)	26.36
May-08	0.00	25.12	0.04	0.00	0.04	(1.19)	26.31
Jun-08	0.00	25.12	0.04	0.00	0.04	(1.15)	26.27
Jul-08	0.00	25.12	0.04	0.00	0.04	(1.10)	26.23
Aug-08	0.00	25.12	0.04	0.00	0.04	(1.06)	26.18
Sep-08	0.00	25.12	0.04	0.00	0.04	(1.01)	26.14
Oct-08	0.00	25.12	0.04	0.00	0.04	(0.97)	26.09
Nov-08	0.00	25.12	0.04	0.00	0.04	(0.92)	26.05
Dec-08	0.00	25.12	0.04	0.00	0.04	(0.88)	26.00
Jan-09	0.00	25.12	0.04	0.00	0.04	(0.84)	25.96
Feb-09	0.00	25.12	0.04	0.00	0.04	(0.79)	25.91
Mar-09	0.00	25.12	0.04	0.00	0.04	(0.75)	25.87

Total 25.12

2.07

Ave Rate Period - March 2009 **\$25.12**

\$2.07

**(\$1.01)** **\$26.14**

Carrying Charge	
Return	\$2.23
Depreciation	0.53
FIT	1.46
Property Tax	1.57
	<b>\$5.79</b>

**North Queens Carrying Charges - Planned Work -----TAB 3**  
Millions of \$'s

	Bookcost		Depreciation Reserve			Net Plant	
	New Capital	Balance	Depreciation	Net Retirement	Total	Balance	Balance
Jul-06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Aug-06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sep-06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Oct-06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nov-06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dec-06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Jan-07	0.60	0.60	0.00	0.00	0.00	0.00	0.60
Feb-07	2.42	3.02	0.00	0.00	0.00	0.00	3.02
Mar-07	0.54	3.55	0.01	0.00	0.01	0.01	3.55
Apr-07	5.54	9.10	0.01	0.00	0.01	0.01	9.08
May-07	0.49	9.58	0.02	0.00	0.02	0.03	9.56
Jun-07	(0.16)	9.43	0.02	0.00	0.02	0.05	9.38
Jul-07	3.75	13.18	0.02	0.00	0.02	0.06	13.11
Aug-07	0.00	13.18	0.02	0.00	0.02	0.09	13.09
Sep-07	0.00	13.18	0.02	0.00	0.02	0.11	13.07
Oct-07	0.00	13.18	0.02	0.00	0.02	0.13	13.04
Nov-07	0.00	13.18	0.02	0.00	0.02	0.16	13.02
Dec-07	0.00	13.18	0.02	0.00	0.02	0.18	13.00
Jan-08	0.00	13.18	0.02	0.00	0.02	0.20	12.98
Feb-08	0.00	13.18	0.02	0.00	0.02	0.23	12.95
Mar-08	0.00	13.18	0.02	0.00	0.02	0.25	12.93
Apr-08	0.00	13.18	0.02	0.00	0.02	0.27	12.91
May-08	0.00	13.18	0.02	0.00	0.02	0.30	12.89
Jun-08	0.00	13.18	0.02	0.00	0.02	0.32	12.88
Jul-08	0.00	13.18	0.02	0.00	0.02	0.34	12.84
Aug-08	0.00	13.18	0.02	0.00	0.02	0.36	12.81
Sep-08	0.00	13.18	0.02	0.00	0.02	0.38	12.79
Oct-08	0.00	13.18	0.02	0.00	0.02	0.40	12.77
Nov-08	0.00	13.18	0.02	0.00	0.02	0.42	12.74
Dec-08	0.00	13.18	0.02	0.00	0.02	0.44	12.72
Jan-09	0.00	13.18	0.02	0.00	0.02	0.46	12.70
Feb-09	0.00	13.18	0.02	0.00	0.02	0.50	12.67
Mar-09	0.00	13.18	0.02	0.00	0.02	0.53	12.65
<b>Total</b>		<b>13.18</b>		<b>0.00</b>			

Ave Rate Period - March 2009 **\$13.18**

**\$0.39**      **\$12.79**

Carrying Charge

Carrying Charge	
Return	\$1.09
Depreciation	0.28
FIT	0.72
Property Tax	0.77
<b>Total</b>	<b>\$2.85</b>

**North Queens Deferral Carrying Charges - Restoration ---Tab A**  
Millions of \$'s

	Bookcost		Depreciation Reserve			Balance	Net Plant Balance	Carrying Charge	
	New Capital	Balance	Depreciation	Net Retirement	Total			Month	Bal
Jul-06	\$2.23	\$2.23	\$0.00	\$0.14	(\$0.14)	(\$0.14)	\$2.37	\$0.03	\$0.03
Aug-06	0.22	31.45	0.00	2.87	(2.87)	(3.00)	14.43	0.17	0.20
Sep-06	(0.47)	10.38	0.02	0.34	(0.92)	(3.92)	14.50	0.17	0.37
Oct-06	0.18	9.92	0.02	(0.08)	(1.11)	(4.03)	12.39	0.15	0.52
Nov-06	0.16	12.01	0.02	0.00	(1.19)	(4.39)	16.00	0.15	0.70
Dec-06	(0.21)	11.80	0.02	0.00	(1.19)	(4.39)	15.79	0.15	0.84
Jan-07	0.11	11.41	0.02	0.00	(0.94)	(4.02)	15.23	0.18	1.05
Feb-07	(0.02)	11.39	0.02	0.13	(0.08)	(3.91)	15.30	0.18	1.23
Mar-07	(0.01)	11.38	0.02	0.08	(0.04)	(3.85)	15.33	0.18	1.41
Apr-07	0.02	11.40	0.02	0.11	(0.09)	(4.03)	15.24	0.18	1.59
May-07	0.00	11.40	0.02	0.00	(0.04)	(4.08)	15.16	0.18	1.77
Jun-07	0.00	11.40	0.02	0.04	(0.02)	(4.10)	15.20	0.18	1.95
Jul-07	0.00	11.40	0.02	0.13	(0.12)	(4.21)	15.12	0.18	2.13
Aug-07	0.00	11.40	0.02	0.00	0.02	(4.29)	15.04	0.18	2.31
Sep-07	0.00	11.40	0.02	0.00	0.02	(4.31)	15.02	0.18	2.49
Oct-07	0.00	11.40	0.02	0.00	0.02	(4.33)	15.00	0.18	2.67
Nov-07	0.00	11.40	0.02	0.00	0.02	(4.35)	14.98	0.18	2.85
Dec-07	0.00	11.40	0.02	0.00	0.02	(4.37)	14.96	0.18	3.03
Jan-08	0.00	11.40	0.02	0.00	0.02	(4.39)	14.94	0.18	3.21
Feb-08	0.00	11.40	0.02	0.00	0.02	(4.41)	14.92	0.18	3.39
Mar-08	0.00	11.40	0.02	0.00	0.02	(4.43)	14.90	0.18	3.57
Apr-08	0.00	11.40	0.02	0.00	0.02	(4.45)	14.88	0.18	3.75
May-08	0.00	11.40	0.02	0.00	0.02	(4.47)	14.86	0.18	3.93
Jun-08	0.00	11.40	0.02	0.00	0.02	(4.49)	14.84	0.18	4.11
Jul-08	0.00	11.40	0.02	0.00	0.02	(4.51)	14.82	0.18	4.29
Aug-08	0.00	11.40	0.02	0.00	0.02	(4.53)	14.80	0.18	4.47
Sep-08	0.00	11.40	0.02	0.00	0.02	(4.55)	14.78	0.18	4.65
Oct-08	0.00	11.40	0.02	0.00	0.02	(4.57)	14.76	0.18	4.83
Nov-08	0.00	11.40	0.02	0.00	0.02	(4.59)	14.74	0.18	5.01
Dec-08	0.00	11.40	0.02	0.00	0.02	(4.61)	14.72	0.18	5.19
Jan-09	0.00	11.40	0.02	0.00	0.02	(4.63)	14.70	0.18	5.37
Feb-09	0.00	11.40	0.02	0.00	0.02	(4.65)	14.68	0.18	5.55
Mar-09	0.00	11.40	0.02	0.00	0.02	(4.67)	14.66	0.18	5.73
Apr-08	0.00	11.40	0.02	0.00	0.02	(4.04)	15.44		3.58
May-08	0.00	11.40	0.02	0.00	0.02	(4.02)	15.42		
Jun-08	0.00	11.40	0.02	0.00	0.02	(4.00)	15.40		
Jul-08	0.00	11.40	0.02	0.00	0.02	(3.98)	15.38		
Aug-08	0.00	11.40	0.02	0.00	0.02	(3.96)	15.36		
Sep-08	0.00	11.40	0.02	0.00	0.02	(3.94)	15.34		
Oct-08	0.00	11.40	0.02	0.00	0.02	(3.92)	15.32		
Nov-08	0.00	11.40	0.02	0.00	0.02	(3.90)	15.30		
Dec-08	0.00	11.40	0.02	0.00	0.02	(3.88)	15.28		
Jan-09	0.00	11.40	0.02	0.00	0.02	(3.86)	15.26		
Feb-09	0.00	11.40	0.02	0.00	0.02	(3.84)	15.24		
Mar-09	0.00	11.40	0.02	0.00	0.02	(3.82)	15.22		

**North Queens Deferral Carrying Charges - Reinforcement ---Tab B**  
Millions of \$'s

	<u>Bookcost</u>		<u>Depreciation Reserve</u>			<u>Balance</u>	<u>Net Plant</u> <u>Balance</u>	<u>Carrying Charge</u>	
	<u>New Capital</u>	<u>Balance</u>	<u>Depreciation</u>	<u>Net Retirement</u>	<u>Total</u>			<u>Month</u>	<u>Bal</u>
Jul-06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Aug-06	4.09	4.09	0.04	0.40	(0.40)	(0.40)	4.49	0.05	0.05
Sep-06	0.64	0.73	0.01	0.63	(0.67)	(1.07)	10.50	0.03	0.18
Oct-06	0.68	1.41	0.01	0.63	(0.63)	(1.70)	17.19	0.20	0.38
Nov-06	0.34	1.75	0.01	0.63	(0.66)	(1.97)	20.54	0.24	0.62
Dec-06	0.00	23.70	0.01	0.63	(0.63)	(1.97)	23.70	0.29	0.91
Jan-07	1.42	25.12	0.04	0.05	0.01	(1.97)	27.09	0.31	1.23
Feb-07	0.46	25.60	0.04	0.00	0.12	(1.85)	27.45	0.32	1.55
Mar-07	0.00	26.40	0.01	0.03	0.02	(1.83)	28.23	0.33	1.88
Apr-07	0.57	26.96	0.01	0.11	0.10	(1.67)	28.60	0.33	2.21
May-07	0.39	27.37	0.01	0.01	0.06	(1.61)	28.66	0.34	2.55
Jun-07	0.27	27.64	0.01	0.02	0.07	(1.54)	28.79	0.34	2.89
Jul-07	0.37	28.10	0.01	0.00	0.05	(1.49)	28.80	0.34	3.23
Aug-07	0.00	28.10	0.01	0.00	0.05	(1.45)	28.83	0.34	3.58
Sep-07	0.00	28.10	0.01	0.00	0.05	(1.40)	28.83	0.33	3.92
Oct-07	0.00	28.10	0.01	0.00	0.05	(1.35)	28.83	0.33	4.27
Nov-07	0.00	28.10	0.01	0.00	0.05	(1.30)	28.83	0.33	4.61
Dec-07	0.00	28.10	0.01	0.00	0.05	(1.25)	28.83	0.33	4.96
Jan-08	0.00	28.10	0.01	0.00	0.05	(1.20)	28.83	0.33	5.30
Feb-08	0.00	28.10	0.01	0.00	0.05	(1.15)	28.83	0.33	5.65
Mar-08	0.00	28.10	0.01	0.00	0.05	(1.10)	28.83	0.33	6.00
Apr-08	0.00	28.10	0.05	0.00	0.05	(1.05)	29.15		5.96
May-08	0.00	28.10	0.05	0.00	0.05	(1.00)	29.10		
Jun-08	0.00	28.10	0.05	0.00	0.05	(0.95)	29.05		
Jul-08	0.00	28.10	0.05	0.00	0.05	(0.90)	29.00		
Aug-08	0.00	28.10	0.05	0.00	0.05	(0.85)	28.95		
Sep-08	0.00	28.10	0.05	0.00	0.05	(0.80)	28.90		
Oct-08	0.00	28.10	0.05	0.00	0.05	(0.75)	28.85		
Nov-08	0.00	28.10	0.05	0.00	0.05	(0.70)	28.80		
Dec-08	0.00	28.10	0.05	0.00	0.05	(0.65)	28.75		
Jan-09	0.00	28.10	0.05	0.00	0.05	(0.60)	28.71		
Feb-09	0.00	28.10	0.05	0.00	0.05	(0.55)	28.66		
Mar-09	0.00	28.10	0.05	0.00	0.05	(0.50)	28.61		



Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff30  
Date of Response: 08/29/2007

Question No. :480

Subject: DC Conversion Program By letter dated June 12, 2007 Con Edison sought Commission authorization to terminate the provision of DC service effective September 30, 2007. The letter petition indicates that as of June 12, 2007 only six of a total original population of over 4, 000 customers remain taking DC service. Con Edison has a funded DC conversion incentive program that is available to the remaining customers to cover the cost of conversion to AC service. As of June 30, 2007, the company's financial report indicates that the company has \$11.2 million of unexpended funds related to the DC conversion incentive program. 1) Does the company agree that any unexpended DC conversion funds remaining once DC service is terminated should be returned to customers? 2) If not, why not? 3) If so, please propose a disposition plan that could be incorporated in this rate proceeding. 4) Please indicate the number of remaining DC customers as of the date of the response. 5) Please provide a forecast of the expected unexpended balance at March 31, 2008. The forecast should include all relevant factors such as any additional funding, program expenditures and accrued interest. 6) Please identify all costs that can be avoided by the discontinuance of the provision of DC Service. 7) Have the avoidable costs been reflected in the company's rate case request? If not Why not?

Response:

- 1) Yes.
- 2) Not applicable.
- 3) The Company proposes to return to ratepayers over the period of the proposed three-year rate plan an estimated balance of the unexpended DC conversion funds. This amount is estimated because contractor invoices to the Company for conversion work continue to come in after customers leave

the system. The estimated amount will be subject to true-up when all costs are known.

- 4) Two customers have not currently signed agreements for the DC conversion program.
- 5) The estimated remaining balance of DC incentives at March 31, 2008 is \$9 million.
- 6) The Company is not aware of any costs that it will avoid as a result of discontinuing this service other than the conversion costs discussed above.
- 7) See response to 6.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff31  
Date of Response: 08/30/2007  
Responding Witness: Accounting Panel

Question No. :481.13

Subject: Insurance - Using the Accounting Panel Workpapers to Exhibit \_ (AP)-5 Schedule 8 in the Insurance Premium Expense Worksheet please provide a comparison of the premiums (forecasted/known in the aforementioned worksheet) for July 2007 to the actual premiums for July 2007.

Response:

Please see Attachment DPS-481 (Question 13).

Consolidated Edison Company of New York, Inc.  
Insurance Premium Expense  
(\$ in thousands)

Property Insurance / Company	PSC Acct Description	Company Acct #	Account Description	As Filed July 2007	Actual July 2007	Variance As Filed vs Actual
<b>Property Insurance / Company</b>						
Conventional	Property Insurance	H5400	Prop Ins-Elec-Conven Prop/Prod	39.1	39.1	(0.0)
	Property Insurance	J5400	Prop Ins-Elec-Conven Prop/Trans	139.6	139.6	0.0
	Property Insurance	K5400	Prop Ins-Elec-Conven Prop/Dist	178.7	178.7	(0.0)
	Property Insurance	A5404	Prop Ins-Gas-Conventional Prop	5.6	5.6	0.0
	Property Insurance	E5408	Prop Ins-Stm-Conven Prop/Prod	182.4	128.4	54.0
	Property Insurance	F5408	Prop Ins-Stm-Conven Prop/Dist	5.6	5.6	0.0
	Property Insurance	A5412	Prop Ins-Comm-Conventional Prop	61.4	61.4	0.0
				<b>612.3</b>	<b>558.3</b>	<b>54.0</b>
<b>Boiler and Machinery</b>						
	Property Insurance	B5400	Prop Ins-Elec-Boilers & Machinery	10.3	10.3	0.0
	Property Insurance	B5404	Prop Ins-Gas-Boilers & Machinery	0.4	0.4	(0.0)
	Property Insurance	B5408	Prop Ins-Stm-Boilers & Machinery	10.7	10.7	(0.0)
				<b>21.4</b>	<b>21.4</b>	<b>(0.0)</b>
<b>Nuclear</b>						
	Property Insurance	C5400	Prop Ins-Elec-Nuclear	-	-	-
<b>Terrorism</b>						
	Injuries And Damages	P5425	Inj&Dam-Ins Prem-Terrorism Insur.	-	-	-
<b>Underwater T&amp;D</b>						
	Property Insurance	G5400	Prop Ins-Elec-Underwater T&D Fac <sup>1</sup>	20.6	-	20.6
	<b>Total</b>			<b>654.3</b>	<b>579.7</b>	<b>74.6</b>
<b>Property Insurance / Non-Company</b>						
<b>Fire &amp; Marine Perils</b>						
	Property Insurance	D5400	Prop Ins-Elec-Piers, Wharves, Etc	-	-	-
<b>Mains &amp; Serv-Insp Brid&amp;sub Cross</b>						
	Property Insurance	D3859	Mains & Serv-insp Brid&sub Cross	-	-	-
<b>7 World Trade Center</b>						
	Property Insurance	S5425	Insur. Prem.-7 World Trade Center	-	-	-
<b>30 Flatbush Avenue</b>						
	Property Insurance	G5412	Prop Ins-Comm-30 Flatbush Ave	-	-	-
	<b>Total</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Liability Insurance</b>						
<b>Excess</b>						
	Injuries And Damages	A5425	Inj&Dam-Ins Prem-Excess Pub Liab	1,054.2	901.8	152.4
<b>Nuclear</b>						
	Injuries And Damages	05424	Inj & Damages-Elec-Insurance Prem <sup>2</sup>	-	(236.9)	236.9
<b>Nuclear Extra Expense</b>						
	Injuries And Damages	H5548	Misc. Gen Exp-Elec-Nuc Pl Out Ins	-	-	-
<b>Directors &amp; Officers</b>						
	Injuries And Damages	C5425	Inj&Dam-Ins Prem-Director & Officer	537.6	537.6	0.0
<b>Directors &amp; Officers</b>						
	Injuries And Damages	05429	Inj & Dam-elec-dir-insur-o & R	-	0.1	(0.1)
<b>Malpractice - Various</b>						
	Injuries And Damages	J5425	Inj&Dam-Ins Prem-Med Malpractice	129.0	116.9	12.1
<b>Marine Liability</b>						
	Injuries And Damages	K5425	Inj&Dam-Ins Prem-Piers, Wharves	-	-	-
<b>Miscellaneous - Various</b>						
	Injuries And Damages	N5425	Inj&Dam-Ins Prem-Misc. Liab Ins	18.9	106.1	(87.2)
<b>Miscellaneous - Various</b>						
	Injuries And Damages	B5425	Inj&dam-ins Prem-transfer Agent	-	-	-
<b>Telecommunications</b>						
	Telecommunications	C5250	Insurance - Telecommunications	-	-	-
	<b>Total</b>			<b>1,739.7</b>	<b>1,425.6</b>	<b>314.0</b>
<b>Bonds</b>						
<b>Employee Crime</b>						
	Property Insurance	C5412	Prop Ins-Comm-Comprehensive Crime	25.8	24.7	1.1
<b>Workers Compensation</b>						
	Injuries And Damages	L5425	Inj&Dam-Ins Prem-Works Comp Bonds <sup>3</sup>	66.5	-	66.5
<b>Workers Compensation</b>						
	Injuries And Damages	R5425	Errp Workers' Comp Deductibles <sup>4</sup>	-	21.5	(21.5)
<b>Miscellaneous - Various</b>						
	Injuries And Damages	M5425	Inj&Dam-Ins Prem-Misc. Bonds	8.6	0.3	8.3
	<b>Total</b>			<b>100.8</b>	<b>46.5</b>	<b>54.3</b>
<b>Insurance on Company Employees</b>						
<b>Crime</b>						
	Injuries And Damages	D5425	Inj&Dam-Ins Prem-Assault & Explos	-	-	-
<b>Excess Workers Compensation</b>						
	Injuries And Damages	E5425	Inj&Dam-Ins Prem-Excess Work Comp	46.4	46.4	(0.0)
<b>Business Travel Accident</b>						
	Injuries And Damages	F5425	Inj&Dam-Ins Prem-Bus Travel Accid	-	-	-
<b>Pension and Fiduciary</b>						
	Injuries And Damages	G5425	Inj&Dam-Ins Prem-Pen & Wel Fiduc	73.8	73.8	(0.0)
	<b>Total</b>			<b>120.2</b>	<b>120.2</b>	<b>(0.0)</b>
<b>Workers' Compensation</b>						
	Injuries And Damages	05436	Inj & Dam-nys Wk/comp Board-asses	741.7	658.4	83.3
	<b>Grand Total</b>			<b>3,356.7</b>	<b>2,830.4</b>	<b>526.3</b>

<sup>1</sup> The premium was recorded on the Company's books in the month of April 2007.

<sup>2</sup> The forecasted premium was reflected in January 2007.

<sup>3</sup> The premium was recorded on the Company's books in March and June 2007.

<sup>4</sup> The forecasted premium was reflected in January 2008.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff33  
Date of Response: 08/29/2007  
Responding Witness: Accounting Panel

Question No. :496

Subject: Shared Services - 1) Line 14- 16 of the Accounting Panel Testimony states "The staffing will be comprised of 13 management personnel, of which 10 are in place. The normalization of \$791,000 includes \$542,000 for Labor costs and \$249,000 for expenses that were not reflected in the rate year."  
a) Provide for the 10 hired their Shared Service start dates, titles and salaries. b) Provide for the three employees their anticipated start dates, titles and salaries. c) Identify the total cost savings by year since the start of this program. If there hasn't been any savings prior to year end 2006. Provide the expected savings and supporting documentation for any cost savings created or forecasted for the period starting 1/1/07 and ending 3/31/08 year. d) Provide the labor cost (incurred and forecasted) from the inception of the program - 3/31/08. e) In Exhibit \_ (AP-5) Schedule 6 Page 5 of 6 there is a balance of (222) for Shared Services Administration - Savings. Please provide supporting documentation for the \$222,000 in Savings.

Response:

a)		
General Manager -	7/1/2006	\$160,400
Performance Analysis		
Department Manager -	7/1/2006	\$130,900
Senior Planning Analyst-	9/1/2006	\$99,700
Senior Planning Analyst-	6/1/2007	\$91,000
Business Process Integration		
Systems Manager -	7/1/2006	\$135,000
Senior Planning Analyst-	10/1/2006	\$91,600
Senior Planning Analyst-	9/1/2007	\$91,000
Operations Support Managers		
Section Manager -	7/1/2006	\$135,200
Section Manager -	7/1/2006	\$114,000
Section Manager -	7/1/2006	\$115,100
Section Manager -	7/1/2006	\$126,300

Section Manager -	7/1/2006	\$131,000 (100% charged to O&R)
Section Manager -	OPEN	\$130,700

These 13 positions represent a total Company cost of \$1,551,900. The normalization of \$542,000 represents the electric allocation of CECONY's portion of the cost of filling those positions that were not reflected in the historic period. As discussed in testimony, 10 of the 13 positions were filled at the time of the Company's filing. The three unfilled positions were the two Senior Planning Analysts at \$91,000 each and the Section Manager at \$130,700. By September 1, 2007, the Company will have only the Section Manager position still open.

b) See response to (a) above.

c) See response to NYPA 52.

d)

<u>Forecasted</u>	<u>Labor Costs Incurred</u>	<u>Labor Costs</u>
July 2006 - Dec 2006	\$544K	\$552K
Jan 2007 - Aug 2007	\$846K	\$1,035K*
Sept. 2007 - December 2007		\$517K
January 2008 - March 2008		388K

\* The forecasted labor cost for 2007 assumed that all positions would be filled as of January 1, 2007. Two of the 3 positions have been filled and the remaining open position is anticipated to be filled by year end. This accounts for the variation between incurred and forecasted for 2007. The rate year level of labor costs will be approximately \$1,552K excluding wage award.

e) See response to NYPA 52.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff33  
Date of Response: 08/30/2007  
Responding Witness: Accounting Panel

Question No. :503

Subject: WTC costs - 1) Provide an update of the WTC accounting summary for the period 9/11/01 through 7/31/07 in the same format as provided in the company's filing which was for the period ended March 2007. 2) Confirm that Con Edison received a reimbursement from the Department of Housing and Urban Development funded Utility Restoration and Infrastructure Program in the amount of \$68,157,839 on June 11, 2007. 3) Confirm that electric operations direct allocation of the reimbursement was \$54,294,317. 4) Confirm that electric operations allocation of the common allocation of the reimbursement was \$95,067. 5) Confirm that the company's rate filing does not reflect the \$68,157,839 reimbursement. 6) Confirm that the June 11, 2007 reimbursement was not reflected in the company's August 7, 2007 update. 7) Confirm that the company recovery \$2.1 million from its insurers for sales tax the company incurred on components of WTC relate substation restoration. 8) Confirm that the \$2.1 million of insurance recovery is not reflected in the company's original or update filing. 9) Confirm that the company transferred \$60.2 million of WTC capital and retirement costs to plant/reserve since March 2007. 10) Confirm that these capital/reserve costs will be captured in the reconciliation of net T&D plant in rate year three of the current electric rate plan. 11) In consideration of the company's response to questions 5-10, do you agree that the company's projection of additional interest of \$15,660 is overstated? If so provide a corrected estimate. 12) The company is seeking recovery of interest on WTC costs accrued through March 2007 of \$49.3 million. The supporting work papers indicate that the company has recovery \$5.8 million from ratepayers through March 2007 from case 04-E-0572. Why is the company seeking recovery of costs that have already been recovered from rate payers? 13) The Empire State Development Corporation audit report dated February 22, 2007 recommends that \$12.4 million of the company's category 2 claim be withheld pending settlement with the company's insurers. Has the company pursued settlement of this issue with its issuers? If so what is the status of the company's claim? Is a settlement expected

and if so when? Has the recovery of any portion of this \$12.4 million been reflected in any way in the company's original or update case? 14) Confirm that the company is seeking recovery, over varying terms, of a total of \$117,769,000 of WTC related interference costs in this rate case? 15) Has Con Edison filed a claim for reimbursement of WTC related interference costs under the Federal reimbursement program? If not, does the company plan on filing such a claim? If so, when?

Response:

- 1) See Attachment No. 1
- 2) Confirmed.
- 3) Confirmed.
- 4) Confirmed.
- 5) Confirmed.
- 6) Confirmed. The Company plans to reflect this in the rebuttal/update phase of the proceeding.
- 7) Confirmed.
- 8) Confirmed.
- 9) Confirmed - \$60.3 million.
- 10)  
Confirmed.
- 11)  
See response to 12.
- 12)  
The Company's initial filing failed to recognize the prior recovery of \$5,880,000 of interest expense through March 31, 2007. Interest expense previously recovered through July 31, 2007 of \$6,860,000 will be reflected in the Company's update filing.
- 13)  
Contrary to the premise of the question, Con Edison insurers are not involved in this claim. Con Edison has pursued its remedies against ESDC and the Port Authority in parallel. First, it has filed an administrative appeal with ESDC challenging the audit recommendation and requesting immediate payment. We can not predict when the appeal will be decided. Second, it has pursued settlement with the Port Authority. Con Edison sent a demand letter to the Port Authority on or about May 18, 2007, and then on or about August 16, 2007, Con Edison made a motion in federal court for leave to serve a Supplemental Complaint on the Port Authority. The motion is still pending. A settlement is not expected soon. The Supplemental Complaint seeks, among

other things, recovery of all sums for the building of the structure that the Port Authority has not paid to Con Edison. The claim has not been reflected in the revenue requirement calculation.

14)

Confirmed.

15)

There are two categories within the Federal Reimbursement URIR program that cover WTC interference costs. These are Category 2-Southern Sites and Category 3-Service Interference. In August 2006 the Company filed an initial estimate application for Category 2-Southern Site Program and subsequently received an initial partial payment of \$1,289,698 in January 2007. The company is currently preparing a final update application for reimbursement of an additional \$2.1 million and expects to receive 100% reimbursement as provided for under the program guidelines, subject to ESD audit. These costs are all electric costs. The Category 3-Service Interference program guidelines provide for reimbursement of costs incurred up to December 31, 2007. The Company is currently awaiting release of the Category 3 application form by ESD for this category and anticipates it will file such application by December 31, 2007.

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.** Exhibit      (AP-1)  
**SEPTEMBER 11, 2001 RESTORATION - ELECTRIC PLANT ONLY** Page 83 of 106  
**FOR THE PERIOD SEPTEMBER 11, 2001 THROUGH JULY 31, 2007**  
 (\$ 000s)

Description	ELECTRIC				
	Capital	Retirement	O & M	Billing	Total Electric
<b>Federal Costs by Category #:</b> (1)					
1 Emergency Response & Temporary Restoration	\$ -	\$ -	\$ 62,707	\$ -	\$ 62,707
Less: Federal Reimbursement	-	-	(51,505)	-	(51,505)
Less: Transfers to Plant	-	-	(6,771)	-	(6,771)
Less: Transfers to Other Accounts	-	-	(4,194)	-	(4,194)
Subtotal Category 1	-	-	237	-	237 (A)
2 Permanent Restoration of Distribution System	76,384	4,668	2,195	-	83,248
Substation Rebuild:					
Seaport/7WTC Substation	59,255	4	-	76,361	135,620
Less: Con Edison Insurance Recovery	(2,106)	-	-	(56,361)	(58,467)
Less: Port Authority Insurance Recovery	-	-	-	(20,000)	(20,000)
Security Upgrades	669	-	-	-	669
Less: Federal Reimbursement	(75,295)	(3,160)	(1,541)	-	(79,996)
Less: Transfers to Plant/Reserve	(60,279)	-	-	-	(60,279)
Subtotal Category 2	(1,372)	1,513	654	0	795 (B)
2a Southern Site Utilities Relocation	3,428	-	-	-	3,428
Less: Federal Reimbursement	(1,290)	-	-	-	(1,290)
	2,139	-	-	-	2,139 (B)
3 WTC street reconstruction-utility share	43,319	8,756	69,505	803	122,383 (C)
Less: Federal Reimbursement	-	-	-	-	-
Subtotal Category 3	43,319	8,756	69,505	803	122,383
<b>Other Costs (non-federal or regulatory):</b>					
Interference (4)	-	-	-	-	-
Medical Testing (3)	-	-	4,211	-	4,211
Legal Costs (2)	-	-	2,024	-	2,024
Security of Facilities (2)	-	-	365	-	365
Security Improvements (4)	30,596	265	688	-	31,549
Security Improvements-Transfers to Plant (5)	(24,199)	-	-	-	(24,199)
Cost Recovery in Electric Rate Case 04-E-0572	-	-	(25,807)	-	(25,807)
Cost Recovery in Gas Rate Case 03-G-1671	-	-	-	-	-
Cost Recovery in Steam Rate Case 05-S-1376	-	-	-	-	-
Subtotal Other Costs	6,397	265	(18,519)	-	(11,858) (D)
<b>Total (excl. Interest)</b>	<b>\$ 50,482</b>	<b>\$ 10,534</b>	<b>\$ 51,877</b>	<b>\$ 803</b>	<b>\$ 113,695</b>

(1) Estimates are projections to the application deadline dates:

Category 1: October 31, 2003

Category 2: December 31, 2004

Category 3: December 31, 2007

(2) Estimates are projections from the federal deadline to effective rate dates (electric 4/1/05; gas/steam 10/1/04)

(3) Estimates are projections from the federal deadline to year 2007.

(4) Estimates are projections from the federal deadline to year 2008.

(5) Costs shown are Transfers to Plant being recovered through depreciation in rates.

	In Thousands of Dollars		
	Q&M	%	Amount
(A)	\$237	100.00%	\$237
(B)	654	25.00%	164
(C)	69,505	100.00%	69,505
(D)	(18,519)	100.00%	(18,519)
Interest to Date	45,732	100.00%	45,732
Additional Recoveries In Rates	(10,500)	100.00%	(10,500)
Additional Interest	5,400	100.00%	5,400
	<u>\$92,509</u>		<u>\$92,019</u>

	All Other		
		%	Amount
(A)	\$0	100.00%	\$0
(B)	2,279	25.00%	570
(C)	52,878	100.00%	52,878
(D)	6,661	100.00%	6,661
	<u>\$61,818</u>		<u>\$60,109</u>
	<u>\$154,327</u>		<u>\$152,127</u>

O&M Over 3 years	<b>\$30,673</b>
Capital over 30 Years	<b>2,004</b>
	<b><u>\$32,677</u></b>



Dakin Lecakes/OGC/NYS DPS

09/04/2007 05:29 PM

To Anping Liu/ORE/NYS DPS@NYS DPS, Bruce Bentley/OCS/NYS DPS@NYS DPS, Carlene Pacholczak/OEE/NYS DPS@NYS DPS, Claude

cc

bcc

Subject Fw: Staff 503.11 -- Revised

This document IS flagged as a record

--- Forwarded by Dakin Lecakes/OGC/NYS DPS on 09/04/2007 05:29 PM ---



"Krayeske, Mary - Regulatory" <KRAYESKEM@coned.com>

09/04/2007 05:27 PM

To <dakin\_lecakes@dps.state.ny.us>, <guy\_mazza@dps.state.ny.us>, <steven\_kramer@dps.state.ny.us>

cc "Dalton, Maria" <DALTONM@coned.com>, <apearson@ecubedllc.com>, "Carlos Gutie <Carlos.Gutierrez@nypa.gov>, "Carol Garc <carol.garcia@nypa.gov>, "Dakin Lecakes' <dakin\_lecakes@dps.state.ny.us>, "David <david.bomke@nyecc.com>, "Donna DeC <ddecostanzo@nrdc.org>, "Doreen Saia" <saia@gtlaw.com>, "Edgar K. Byham (NY <kim.byham@nypa.gov>, "Francis E. Pulla <fpullaro@energysavings.com>, "Frank Ra <fradigan@aol.com>, "Gail Yvette Davis" <gydavis@panynj.gov>, "Gary R. DeWilde" <gary\_dewilde@rge.com>, "George Diama <gdiaman@ssmplaw.com>, "Guy Mazza" <guy\_mazza@dps.state.ny.us>, "Jay Koop <jkooper@hess.com>, "Jim Reis" <jfr@nys Dowling" <jdowling@nycap.rr.com>, "John <john.walters@consumer.state.ny.us>, "Ke <krb@readlaniado.com>, "Lindsay Audin" <energywiz@aol.com>, "Luis G. Martinez" <lmartinez@nrdc.org>, "Marc A. Hanks" <mhanks@strategicenergy.com>, "Moshe I <mbonder@couchwhite.com>, "Noelle M. H <nmkinsch@llgm.com>, "Peter Keane" <pr "Ralph Zarumba" <ralph.n.zarumba@saic.c Berkley" <berkler@assembly.state.ny.us>, <rck@readlaniado.com>, "Richard J. Koda" <rjkoda@earthlink.net>, "Richard M. Coger <rcogen@nixonpeabody.com>, "Robert Lo <rloughney@couchwhite.com>, "Ron Liber <rliberty@nycap.rr.com>, "Ronald M. Senic <rsenio@panynj.gov>, "Ruben S. Brown" <rsbrown@ecubedllc.com>, "Stacey Ranta <srantala@energymarketers.com>, "Steve <steven\_kramer@dps.state.ny.us>, "Stewa <smg4@westchestergov.com>, "Tina Mille <tina-miller@comcast.net>, "Tom Barone" <trb@nyserda.org>, "Usher Fogel" <ufogel <vsm@nyserda.org>

Subject Staff 503.11 -- Revised

503.11 Revised. In consideration of the company's response to questions 5-10, do you agree that the company's projection of additional interest of \$15,660 is overstated? If so provide a corrected estimate.

Response:

The Company's original estimate of interest should be reduced to reflect the impact of reimbursements received since March 2007. After reflecting the impact of these recoveries the Company's new estimate of interest would be \$5.4 million.

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff33  
Date of Response: 08/29/2007  
Responding Witness: Accounting Panel

Question No. :505

Subject: State Income Tax Rate Change - The Company's rate case filing reflected the new 7.1% New York State income tax rate in its development of rate year state income tax (SIT) expenses in AP-9, schedule 2. However, the company did not address the excess deferred SIT due to the change of SIT rate from 7.5% to 7.1%. a) Provide an analysis on how the change of tax law impacts the accumulative excess deferred SIT. b) Provide the revenue requirement equivalent of the impact of the change in excess deferred SIT.

Response:

- a) See attachment. An amount of \$12,562,707 for deferred NYS Corporate Income taxes was transferred to a subaccount within PSC account 283 (Company account M0972) in May 2007. This balance represents the 0.4% differential between deferred income taxes originally recorded at 7.5% and those same deferred taxes calculated at the new statutory rate of 7.1%.
- b) There is no impact on the revenue requirement of the fact that deferred taxes are now considered to be "excess deferred taxes." It is merely a shift on the Company's books from one account to another as shown in the journal entry provided (see attachment to (a) above).

2007/MAY/52309



2007/MAY/52309

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC

JOURNAL FOLIO 5 - 2309

ACCOUNTING PERIOD MAY 2007

To reclassify excess deferred NY state income taxes into segregated accounts, per detail on file.

NOT USED THIS MONTH: _____	APPROVED BY: <u>R. Keat</u>
PREPARED BY: <u>Li-Chin Chuang</u>	DATA ENTERED INTO SYSTEM BY: <u>Li-Chin Chuang</u>
VERIFIED BY: _____	

TOTAL NUMBER OF SHEETS ON THIS JOURNAL ENTRY (INCLUDING COVER SHEET) 8



Folio 5-2309

May 2007 - Excess Deferred NY State Income Taxes

CECONY

\\TAX\1000 - Federal Income Taxes\1100 - Accounting\1101 Accrual\Journal Entries\2007 Folder\May 2007\Excess Def SIT.xls\CECONY Folio

<u>PSC</u>	<u>Account</u>	<u>Account</u>	<u>JEDC</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>
283	A0994	A0994	2202	Accum Dit Oth-nys Income Tax-elec	12,526,707.00 -	
283	B0994	B0994	2202	Accum Dit Oth-nys Income Tax-gas	2,027,941.00 -	
283	C0994	C0994	2202	Accum Dit Oth-nys Income Tax-stm	1,160,930.00 -	
283	M0972	M0972	2202	Excess Def Sit-'07 Rate Decr-elec		12,526,707.00 -
283	N0972	N0972	2202	Excess Def Sit-'07 Rate Decr-gas		2,027,941.00 -
283	P0972	P0972	2202	Excess Def Sit-'07 Rate Decr-stm		1,160,930.00 -
190	D0444	D0444	2202	Def Sit-gain/sale 1st Av. Prop-el		420,400.00 -
190	J0452	J0452	2202	Metering Incentives - 04-e-0572		714,640.00 -
190	S0445	S0445	2202	Sale/prop W 24 St Manhattan/state		222,570.00 -
190	E0444	E0444	2202	Def Sit-gain/sale 1st Av Prop-gas		76,237.00 -
190	F0444	F0444	2202	Def Sit-gain/sale 1st Av Prop-stm		285,422.00 -
190	V0442	V0442	2202	Excess Def Sit-'07 Rate Decr-elec	1,357,610.00 -	
190	W0442	W0442	2202	Excess Def Sit-'07 Rate Decr-gas	76,237.00 -	
190	Y0442	Y0442	2202	Excess Def Sit-'07 Rate Decr-stm	285,422.00 -	
					17,434,847.00 -	17,434,847.00 -

From: January To: December Account Type: O&M

Line: B-B/s Service: A-All Business Function: B/s  
MAG Category: L-Liabilities  
MAG Code: 20-Liabilities And Other Credits  
PSC Number: 28300-Accumulated Deferred Income Taxes-other

Account	Description	2008	Deferred State Income Tax @ 9.03%	Base Temporary Difference	Difference in Rate 7.5% vs 7.1%
A0972	Accum Dit-fit Disast.adj/wtc-elec	(24,776,600.00)			
A0980	Rate Increase Accrual-04-e-0572	(15,491,000.00)			
A0982	Accrued Rate Relief-03-s-1872	297,000.00			
A0983	Gas Rate Case Pen.defer-03-g-1671	(6,681,000.00)			
A0984	System Reliab. Assessment Study	(16,000.00)			
A0991	Accum Dit-other/adv Refun Bond-el	(65,000.00)			
A0993	Accum Dit-other-int/mid-tud Site	192,000.00			
A0994	Accum Dit Oth-nys Income Tax-elec	(282,790,413.22)	(282,790,413.22)	(3,131,676,780.00)	(12,528,707.00)
B0972	Accum Dit-fit Disast Adj/wtc-gas	(2,001,500.00)			
B0980	El.rate Cse Pension Def-04-e-0572	(25,525,000.00)			
B0991	Accum Dit-other/adv Refun Bon-gas	(40,000.00)			
B0994	Accum Dit Oth-nys Income Tax-gas	(45,780,774.66)	(45,780,774.66)	(506,965,323.00)	(2,027,941.00)
C0972	Accum Dit-fit Disast Adj/wtc-stm	(4,349,000.00)			
C0980	El.rate Cse T&D Exp Def-04-e-0572	(50,800,000.00)			
C0984	Deferred Por Prgm Costs-electric	(64,000.00)			
C0991	Accum Dit-other/adv Refun Bon-stm	(14,000.00)			
C0994	Accum Dit Oth-nys Income Tax-stm	(26,207,989.08)	(26,207,989.08)	(290,232,437.00)	(1,160,930.00)
D0972	Accum Dit-elt Disast Adj/wtc-elec	(10,156,349.00)			
D0982	Stm.prop.tax Reconcil.-03-s-1672	(1,213,000.00)			
D0984	Interest Defer.por Prgm Cost-elec	(18,000.00)			
D0994	Accum Dit Oth-nys Inc.tax-non Op.	(13,630,354.97)	(13,630,354.97)	(150,945,238.00)	(603,781.00)
E0972	Accum Dit-elt Disast Adj/wtc-gas	(832,405.00)			
E0980	El.rate Cse Remed.def-04-e-0572	17,963,000.00			
E0982	Emp.penis.-stm-reconcil-03-s-e-1672	(819,000.00)			
E0980	Accum Dit-other/uran Fun-spec Ase	(871,865.00)			
E0989	Accu Dit-tax Cons.fees-kprng/gas	(39,000.00)			
F0972	Accum Dit-elt Disast Adj/wtc-stm	(1,784,774.00)			
F0980	Tcc Auction Proceeds-04-e-0572	19,136,000.00			
F0982	Amortof Deferred Costs-03-s-1672	35,001,000.00			
F0984	Deferred Por Prgm Costs-gas	(247,000.00)			
F0985	Accum Dit-other-interference-stm	(219,000.00)			
G0992	Emp Carrying Charges Deferrd	(2,402,000.00)			
G0985	Accum Dit-other/recov Fuel-gas	(41,722,000.00)			
G0989	Accu Dit-tax Cons.fees-kprng/steam	(17,000.00)			
H0982	Steam A/c Rev. accrual-03-s-1672	(134,000.00)			
H0984	Interest Defer.por Prgm Costs-gas	(27,000.00)			
J0984	Int. On Audit Adj. Nys Inc.-elec.	(17,000.00)			
K0982	Stm.serv.agree.rev.acc.-03-s-1672	(191,000.00)			
K0984	Int. On Audit Adj. Nys Inc.-gas	(2,000.00)			
K0993	Accum Dit-other/int On Fit Exp-el	10,337,000.00			
L0984	Int. On Audit Adj. Nys Inc.-steam	(1,000.00)			
M0984	Elec. Migrat. Incentive-04-e-0572	(1,116,000.00)			
M0991	Accum Dit-bond Refund Costs -el	(23,703,000.00)			
N0984	David's Island Dev -non Operating	(21,000.00)			
N0991	Accum Dit-bond Refund Costs -gas	(2,968,000.00)			
N0993	Accum Dit-other/mta Bus Surog-el	(1,618,000.00)			
P0991	Accum Dit-bond Refund Costs -stm	(1,074,000.00)			
P0993	Accum Dit-other/mta Bus Surog-gas	(1,151,000.00)			
P0999	Accu Dit-tax Cons.fees-kprng/elec.	(244,000.00)			
Q0980	Gas Unbilled Revenue-def. Taxes	(1,001,000.00)			
Q0993	Accum Dit-other/mta Bus Surog-stm	(58,000.00)			
Q0999	Accum Dit-otr-msc/nyc(electric)	7,079,000.00			
R0994	Def Sit-loss/sale Indian Pt-elec.	(9,120,000.00)			
R0999	Accum Dit-otr-msc/west(electric)	1,072,000.00			
S0992	Accum Dit-over Rec Stm Stor&hand	(1,721,000.00)			
S0985	Accum Dit-other/recov Fuel-steam	(6,691,000.00)			
S0989	Accum Dit-otr-mac(electric)	(12,531,000.00)			
T0989	Accum Dit-other/non-operating	(674,000.00)			
T0993	Accum Dit Other-int Rate Case Def	396,000.00			
T0994	Def Sit-loss/sale Indian Pt-elec.	(18,176,010.00)			
T0999	Defer. Fuel Not Subj.to Reconcil.	(39,279,000.00)			
U0993	Accum Dit-other-int Rate Case Def	1,271,000.00			
V0989	Gas Prograte Case-00-g-1456	(32,000.00)			
V0990	Accum Dit-chng Acct Sect.263a-el	(319,300,000.00)			
V0991	Accum Dit-prepaid Insurance-elec.	(1,536,000.00)			
V0992	Accum Dit-stm Rate Deferrals Int.	73,000.00			
V0995	Accum Dit-arp Fuel Savings	(146,000.00)			
W0990	Accum Dit-chng Acct Sect 263a-gas	(79,801,000.00)			
W0991	Accum Dit-prepaid Insurance-gas	(251,000.00)			
W0992	Accum Dit-hso Start Up Costs-elec	48,750.00			
W0993	Accum Dit Other-int. On Wtc-elec.	(14,919,000.00)			
X0995	Acc Dit-dsm Prog 04-e-0572-elec	(4,889,000.00)			
Y0989	Accum Dit-el-new Energ.reduct.pgm	(1,325,000.00)			
Y0990	Accum Dit-chng Acct Sect 263a-stm	(43,329,000.00)			
Y0991	Accum Dit-prepaid insurance-steam	(98,000.00)			
Y0993	Accum Dit Other-int On Wtc-gas	(2,534,000.00)			
Y0998	Accum Dit-int 1st Ave Prop.non Op	1,110,000.00			
Z0993	Accum Dit Other-int. On Wtc-steam	(2,044,000.00)			
Z0998	Int.On Sale Of Indian Pt-non Oper	(14,000.00)			
Z0998	Phase 5 Unavoidable Costs-elec.	(6,249,000.00)			
		(1,062,673,284.93)	(368,409,531.93)	(4,079,839,778.00)	(16,319,359.00)

SIT on Loss Indian Pt. being amortized over 3 yrs end 3/31/2008.

From: January To: December Account Type: O&M

Line: B-B/s Service: A-All Business Function: B/s  
 MAG Category: A-Assets  
 MAG Code: 10-Assets And Other Debits  
 PSC Number: 19000-Accumulated Deferred Income Taxes

Account	Description	2006	Deferred State Income Tax @ 9.03%	Base Temporary Difference	Difference in Rate 7.5% vs 7.1%
L0431	Accum Dit-fasb 109-invest Cr-stm	2,824,000.00			
L0433	Accum Dit-deferred Comp-gas	165,000.00			
L0435	Accum Dit-rabbi/compensation-gas	2,123,000.00			
L0441	Def Fit Nys Income Tax-steam	-2,449,000.00			
L0448	Sbu Ghp Real & Defer Gain-elec	-1,816,000.00			
L0450	Medicare Rx Legislat.savings-gas	1,519,000.00			
M0433	Accum Dit-deferred Comp-stm	57,000.00			
M0435	Accum Dit-rabbi/compensation-stm	938,000.00			
M0437	Tcc Auction Proceeds(electric)	7,783,450.00			
M0439	Accum Dit-retail Access Prgm Elec	-1,000.00			
M0441	Def Fit Nys Income Tax-non Oper.	7,266,000.00			
M0442	Nys-treas Locks-4.70% Ser 2004c	-13,699.80			
M0450	Nys Inc.tax-forward Starting Swap	370,111.21			
N0433	Accum/dit/unbill Rev-elec	97,912,000.00			
N0437	Accum Dit-gas Penal.off/pk/int-ga	-283,000.00			
N0441	Interest Nys Tax Law - Elec.	215,000.00			
N0442	Fit-treas Locks-4.70% Ser 2004c	-48,304.38			
N0450	Fed.inc.tax-forward Starting Swap	1,305,001.87			
P0432	Stock Plans - Steam	294,000.00			
P0433	Accum Dit-deferred Comp-elec	947,000.00			
P0436	Columbla Univ. Scholarship Fund	140,000.00			
P0439	Repair & Maint '95-'97 lrs-elec	86,538.00			
P0441	Interest Nys Tax Law - Gas	11,000.00			
P0442	Def Benef Cust-medicare Subs-elec	-157,000.00			
Q0433	Accum/dit-unbill Rev-gas	29,933,000.00			
Q0435	Accum Def Inc Tax-vest Vac-elec	11,933,000.00			
Q0436	Accum Dit/epa-so2 Allow Auct Proc	35,418,000.00			
Q0437	Accum Dit-tcc Rents Nypa-elec.	2,877,000.00			
Q0439	Compet.oppoort.cost Disallowed-el	429,654.00			
Q0441	Interest Nys Tax Law - Steam	96,000.00			
R0433	Accum/dit-unbill Rev-steam	8,237,000.00			
R0435	Accum Def Inc Tax-vest Vac-gas	1,833,000.00			
R0439	Elec.rate Case Deferral 04-e-0572	26,188,000.00			
R0441	Nys Inc.tax Refund (wtc)-electric	4,165,000.00			
S0433	Accum/dit-contribution/const-elec	12,732,000.00			
S0434	Accum Dit-retiree Life Insur -stm	547,000.00			
S0435	Accum Def Inc Tax-vest Vac-steam	668,000.00			
S0439	Accum Dit/environmental Liabil.	-9,965,539.00			
S0441	Nys Inc.tax Refund (wtc)-gas	345,000.00			
S0444	Sale/prop-w 24th St Manh./federal	15,144,000.00			
S0445	Sale/prop W 24 St Manhattan/state	5,024,513.00	5,024,513.00	55,642,447.00	222,570.00
T0433	Accum Dit-retiree Health/veba-el	30,544,000.00			
T0435	Accum Def Inc Tax-const-gas	1,153,000.00			
T0436	Accum Dit-rabbi/unrealiz G Or L	-7,188,000.00			
T0437	Accum Dit-ipp Buyout (electric)	9,973,000.00			
T0441	Nys Inc.tax Refund (wtc)-steam	733,000.00			
T0442	Public Safety/system Relib.reser.	350,000.00			
U0432	Cust.refund Assoc.-divest Pltsei	939,000.00			
U0433	Accum Dit-retiree Health/veba-gas	5,531,000.00			
U0435	Accum Def Inc Tax-const-steam	1,772,000.00			
U0437	Accum Dit-restr. Stock Plan-elec.	1,338,000.00			
U0439	Accum Dit/low Income Fund	369,000.00			
U0441	Wash. Hgts & Wtc Sec. Init-elec.	263,000.00			
U0442	Westinghouse Settlement Proceeds	1,397,000.00			
V0434	Accum. Dit-nys It-gas Hedge-visy	27,382.00			
V0437	Accum Dit-restr.stock Plan-gas	218,000.00			
W0433	Accum Dit-retiree Health/veba-stm	1,819,000.00			
W0437	Accum Dit-restr. Stock Plan-steam	65,000.00			
W0439	Invest.tax Credit Refund-1986-int	339,000.00			
W0444	Audit Adjmt Seaport Casualty Loss	496,000.00			
X0434	Accum. Dit-fed.it-gas Hedge-visy	96,549.00			
X0441	Acc Dit-oil Ovrchrg Refund-steam	193,000.00			
Y0439	Amort.of Def.costs/elec 04-e-0572	45,411,000.00			
		<u>382,234,171.04</u>	<u>38,812,513.00</u>	<u>-429,817,419.00</u>	<u>1,719,269.00</u>

From: January To: December Account Type: O&M

Line: B-B/s Service: A-A/I Business Function: B/s

MAG Category: A-Assets

MAG Code: 10-Assets And Other Debits

PSC Number: 19000-Accumulated Deferred Income Taxes

Account	Description	2006	Deferred State Income Tax @ 9.03%	Base Temporary Difference	Difference in Rate 7.5% vs 7.1%
A0431	Accum Dit-fasb 109-unfun Fut-elec	49,293,356.10			
A0435	Adr Adj Due Customers-electric	31,049,000.00			
A0438	Accum Dit-exec Incentive-elec	3,024,000.00			
A0444	Def Fit-gain/sale 1st Ave Prop-el	35,579,000.00			
A0450	Gas Property Tax Reconciliation	-4,932,000.00			
B0431	Accum Dit-fasb 109-unfun Fut-gas	6,024,585.28			
B0432	Stock Plans - Electric	4,222,000.00			
B0433	Accum Dit-capitalizwed Int-elec	6,053,616.00			
B0438	Accum Dit-exec Incentive-gas	539,000.00			
B0444	Def Fit-gain/sale 1st Av Prop-gas	4,385,000.00			
B0448	Medicare Rx Legisl Save-steam	224,000.00			
B0450	Gas Hedge Realized& Deferred Gain	-8,884,000.00			
B0453	Reserve Manuf.ded- Electric	745,000.00			
B0454	Reserve Manuf.ded- Steam	922,000.00			
C0431	Accum Dit-reliability Penalty-el	6,300,000.00			
C0432	Stock Plans - Gas	687,000.00			
C0435	Adr Adj Due Customers-steam	2,138,000.00			
C0436	Accum Dit-prop Tax Savings-gas	15,000.00			
C0438	Accum Dit-exec Incentive-steam	132,000.00			
C0444	Def Fit-gain/sale 1st Av Prop-stm	5,696,000.00			
C0450	Gas Rate Case Deferral 03-g-1671	2,343,000.00			
D0433	Accum-dit-capitalized Int-gas	181,000.00			
D0435	Accum Dit-excess Earn Recon-elec	2,100,000.00			
D0440	Accum Dit-sys Benefits Chrgs-elec	1,279,000.00			
D0441	Acc Dit-nys Income Tax-electric	744,010.76			
D0444	Def Sit-gain/sale 1st Av. Prop-el	9,490,531.00	9,490,531.00	105,100,011.00	420,400.00 ✓
D0448	Capital Expend Reconcl-s-1672	282,000.00			
D0450	Rate Incr Deferral/gas-03-g-1671	5,187,000.00			
D0452	El.rate Case Interf Def-04-e-0572	3,612,000.00			
E0434	Accum Dit-retiree Life Insur -el	9,000,000.00			
E0436	Accum Dit-pension Deductions-elec	-327,948,000.00			
E0437	Bills To Gen-gas Transsys	2,425,000.00			
E0441	Acc Dit-nys Income Tax-gas	153,150.88			
E0444	Def Sit-gain/sale 1st Av Prop-gas	1,721,061.00	1,721,061.00	19,059,369.00	76,237.00 ✓
E0453	Errp Major Main-gas Turb	3,356,000.00			
F0432	Accum Dit-el/site Invest & Remed	4,305,000.00			
F0433	Accum-dit-capitalized Int-steam	6,156,000.00			
F0434	Accum Dit-prop Tax Savings-elec	12,120,000.00			
F0437	Interest On ADr Taxes - Electric	281,000.00			
F0439	Add'l Minimum Pension Asset-elec	2,623,358.84			
F0440	Accum Dit-o&r/post Merger Sav.	213,000.00			
F0441	Acc DR-nys Income Tax-steam	48,214.16			
F0444	Def Sit-gain/sale 1st Av Prop-stm	6,443,408.00	6,443,408.00	71,355,570.00	285,422.00 ✓
F0448	Epa So2 Allowance Proceeds-steam	1,950,000.00			
F0450	Gas Rate Case Int.defer-03-g-1671	-1,533,000.00			
G0434	Accum Dit-retiree Life Insur -gas	1,632,000.00			
G0436	Accum Dit-pension Deductions-gas	-57,161,000.00			
G0437	Interest On ADr Taxes - Steam	9,000.00			
G0439	Add'l Minimum Pensionasset-gas	540,005.28			
H0431	Accum Dit-fasb 109-unfun Fut-stm	2,993,801.62			
H0432	Accum Dit-el-cogen Reimbur O&m Ex	180,000.00			
H0433	Accum Dit-gas Rev Stabiliz Defer	10,176,000.00			
H0439	Add'l Minimum Pension Asset-steam	170,001.67			
H0441	Def Fit Nys Income Tax-electric	112,537,414.57			
H0448	Steam Interference 03-s-1672	-291,000.00			
H0450	Gas Rate Case Pipe.def-03-g-1671	717,000.00			
H0452	Cust.port.shared Eam-04-e-0572	-2,100,000.00			
J0431	Accum Dit-fasb 109-invest Cr-elec	33,667,000.00			
J0432	Accum Dit-elimite Dc Serv/elec	4,518,000.00			
J0435	Accum Dit-rabbi/compensation-elec	13,246,000.00			
J0441	Acc Dit-oil Ovrchrg Refund Elect	2,709,000.00			
J0448	Stm Prop Tax Reconcl-03-s-1672	1,781,000.00			
J0452	Acc Def Sit-rate Case Amort-elec	16,133,000.00	16,133,000.00	178,660,022.00	714,640.00 ✓
K0431	Accum Dit-fasb 109-invest Cr-gas	11,634,000.00			
K0436	Accum Dit-pension Deductions-stm	-23,701,000.00			
K0440	Accum Dit-o&r/post Merge Sav-stm	59,000.00			
K0441	Def Fit Nys Income Tax-gas	16,664,000.00			
K0442	Def Fit-prov.rate Disal.-roset-el	448,000.00			
K0448	Sbu Ghp Real & Defer Gain-steam	29,000.00			
K0450	Amort.def.cost/gas Case 03-g-1671	-14,733,000.00			

**Tran, Gia**

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**From:** Keary, Richard J.  
**Sent:** Tuesday, June 05, 2007 1:46 PM  
**To:** Tran, Gia  
**Cc:** Ackerman, Robert J.; Amanna, John; Baker, James; Bastone, Ralph; Chambers, Patrick J. III; Deluca, Marietta; dl - FIN-Corporate Finance; FI - Acct Request; Fitzmartin, Kevin; Grabchak, Olga; Grosberg, Gabriel; Haggerty, James - Accounting; Keary, Richard J.; Kroll, Richard; Kuntz, Joseph; Lee, Helen L.; Lin, Claire ; Marzella, Christopher; Misquita, Edlyn; Monzo, Maria; Mysholowsky, Steven; Pressman, Barry; Ricco, John; Scarpitta, Grace; Shen, Stephanie; Wang, Wenqi; Williams, Peter; Wong, Priscilla; Yang, Raymond ; Yee, Sodalay  
**Subject:** RE: New Accounts

As per your request, the accounts listed below have been established.

---

**From:** Tran, Gia  
**Sent:** Thursday, May 31, 2007 9:40 AM  
**To:** Keary, Richard J.  
**Subject:** New Accounts

Rich,

Please setup the following new accounts:

**28300-Accumulated Deferred Income Taxes**

**Excess Deferred SIT - 2007 Rate Decrease -Electric - M0972**  
**Excess Deferred SIT - 2007 Rate Decrease -Gas - N0972**  
**Excess Deferred SIT - 2007 Rate Decrease -Steam - P0972**

**19000-Accumulated Deferred Income Taxes**

**Excess Deferred SIT - 2007 Rate Decrease -Electric - V0442**  
**Excess Deferred SIT - 2007 Rate Decrease -Gas - W0442**  
**Excess Deferred SIT - 2007 Rate Decrease -Steam - Y0442**

Thanks,

Gia Tran  
Tax Accounting  
Room 615S  
212-460-6463 (Phone)  
212-460-3030 (Fax)

**Tran, Gia**

**From:** Tran, Gia  
Friday, April 28, 2006 10:45 AM  
**Subject:** Grosberg, Gabriel; Yee, Sodalay  
FW: New Account Request - S0445 (Match to CARE Account)

Gabe, Sodalay

FYI

Gia

-----Original Message-----

**From:** Tran, Gia  
**Sent:** Friday, April 28, 2006 9:23 AM  
**To:** Keary, Richard J.  
**Subject:** RE: New Account Request -

John,

In Richard's absence, please set up a New York State account (See below). Please keep this new account as close as possible S0444, which Richard opened on 4/20/2006. Please add "Federal" to Account S0444's description. **S0445**  
(Tax Accrual Account)

*State Account*  
*Per Sal, State Account is amortized against Federal*  
*GT*  
*Rec'd S044*

**Amortization of Proceeds from Sale of Chelsea Property (NEW)**  
25400 - Other Regulatory Liabilities  
Electric Rate Case Sale of Chelsea Property 04-E-0572 - J0961 Care Account

Thanks,

Gia Tran  
Tax Accounting  
Room 549S  
212-460-6463 (Phone)  
212-460-3030 (Fax)

-----Original Message-----

**From:** Keary, Richard J.  
**Sent:** Friday, April 21, 2006 10:12 AM  
**To:** Tran, Gia  
**Cc:** Amanna, John; Baker, James; Bastone, Ralph; Carmona, Peter; Chambers, Patrick J. III; Deluca, Marietta; Devaney, Michael; FI - Acct Request; Fitzmartin, Kevin; Grabchak, Olga; Grosberg, Gabriel; Haggerty, James - Accounting; Keary, Richard J.; Kroll, Richard; MacDonald, John; Marzella, Christopher; Monzo, Maria; Mysholowsky, Steven; Pressman, Barry; Ricco, John; Scarpitta, Grace; Shen, Stephanie; Wang, Wenqi; Yang, Raymond ; Yee, Sodalay  
**Subject:** RE: New Account Request - S0444

Richard,

Please add another account in the same category for the New York State (See e-mail below):

PSC 190:

Company Name: Con Edison  
Case Description: Electric Rate Filing  
Case: 07-E-0523

Response to DPS Interrogatories - Set Staff37  
Date of Response: 09/04/2007  
Responding Witness: Accounting Panel

Question No. :517

Subject: Other O&M Expense - In response to IR DPS-8, the company provided an attachment labeled as Attachment "PSC 2-8," titled "Other O&M Expense - 2006," reflecting Deferred Compensation of \$14,146,000. Is this amount Electric's allocation of the \$18,000,000 total for Stock options, Restricted stock units, Performance-based restricted stock and Non-officer director deferred stock compensation total listed under "2006 Con Edison of New York" on page 103 of the company's 10-K? If so, provide how the \$14,146,000 was calculated. If not, provide an explanation of what comprises the \$14,146,000.

Response:

1. Yes, the \$14,146,000 represents the portion of the annual costs allocated to electric operations.
2. The Deferred Compensation amount of \$14.146 million is comprised of the following items:

Stock Options	\$4.815 million
Restricted Stock	.369
Performance Based Restricted Stock	8.084
Non-Officer Director Deferred Stock	.872
Other	<u>.006</u>
Total	<u>\$14.146</u> million

CON EDISON  
2007 ELECTRIC RATE CASE FILING  
ACCOUNTING PANEL WORKPAPERS TO  
EXHIBIT \_\_ (AP-5)

*LINE* ✓  
PAYROLL TAXES

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
GROSS PAYROLLS  
Forecast Year 2008

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
PAYROLL TAXES  
Forecast Year 2009

2008	NO. OF EMPLOYEES		UNION				MANAGEMENT		TOTAL			EFFECTIVE TAXES-RATES			GROSS PAYROLL X EFFECTIVE TAXES RATES			PAYROLL TAXES						
	UNION	MANAGEMENT	STRAIGHT TIME	PREMIUM TIME	OVERTIME	SUMMER	TOTAL UNION	STRAIGHT TIME	MONTHLY COMP PAY	TOTAL MONTHLY	SPECIAL PAYROLLS	TOTAL	FICA	SUI	FUI	FICA	SUI	FUI	FICA	SUI	FUI	TOTAL		
JAN	4	0,987	547,782	23,608	511,873		811,861	136,818	32,921	841,737	\$1,397	\$106,155	7.72%	0.68%		\$6,118	1.96%		\$6,118			\$718	\$1,462	10,285
FEB	4	0,987	47,782	2,608	11,573		71,968	38,818	2,821	41,737	1,392	104,860	7.47%	0.10%		7,638	0.35%		7,638			106	358	10,280
MAR	5	0,987	58,807	3,142	14,510		77,459	38,818	2,821	41,737	1,392	105,348	7.47%	0.10%		10,748	0.35%		10,748			158	358	10,280
APR	4	0,987	47,808	2,514	11,608		62,048	40,174	3,024	43,198	28,518	131,762	6.72%	0.01%		8,654	0.02%		8,654			13	28	8,683
MAY	4	0,987	47,808	2,514	11,608		62,048	40,174	3,024	43,198	28,518	108,819	7.65%	0.01%		8,188	0.02%		8,188			21	21	8,209
JUN	5	0,987	66,807	3,142	14,810	140	77,669	40,174	3,024	43,198	1,609	122,508	7.32%	0.01%		8,087	0.02%		8,087			25	25	8,112
JUL	4	0,987	46,803	2,601	12,014		61,418	40,174	3,024	43,198	1,458	108,248	7.26%	0.00%		7,853	0.02%		7,853			22	22	7,875
AUG	5	0,987	62,004	3,252	15,018	298	80,578	40,174	3,024	43,198	1,304	125,072	7.03%	0.00%		6,783	0.02%		6,783			25	25	6,808
SEP	4	0,987	48,803	2,601	12,014	80	64,218	40,174	3,024	43,198	1,384	109,847	6.49%	0.00%		6,961	0.01%		6,961			33	33	7,228
OCT	5	0,987	48,803	2,601	12,014		64,218	40,174	3,024	43,198	1,384	109,847	5.41%	0.00%		6,752	0.01%		6,752			12	12	6,770
NOV	5	0,987	48,803	2,601	12,014		64,218	40,174	3,024	43,198	1,384	109,847	4.84%	0.00%		5,348	0.01%		5,348			11	11	5,359
DEC	4	0,987	48,752	2,688	12,860		64,411	40,174	3,024	43,198	2,048	110,658										11	11	11,073
YEAR TOTAL	52	0,987	863,946	33,250	1,153,555	987	1,821,657	1,478,014	335,878	1,813,893	144,155	1,958,048	5.35%	0.08%		1,947,448	0.18%		1,947,448			1,013	2,112	1,949,560

Increase factor for Special Payrolls

5.24%

74.22%

7.53%

1.00%

Payroll Taxes (April - December 2008)  
Payroll Taxes (January - March 2009)

April	May	June	July	August	September	October	November	December	January	February	March	Total
8,569.00	7,915.00	8,688.00	7,879.00	8,487.00	8,959.00	6,454.00	6,523.00	5,189.00	10,295.00	8,310.00	10,281.00	66,423.00
126,947.00	102,655.00	117,921.00	105,196.00	120,388.00	105,766.00	104,955.00	120,125.00	106,351.00	105,155.00	104,930.00	120,388.00	1,010,304.00
8,569.00	7,915.00	8,688.00	7,879.00	8,487.00	8,959.00	6,454.00	6,523.00	5,189.00	10,295.00	8,310.00	10,281.00	28,696.00
												95,309.00

Salaries (April - December 2008)  
Salaries (January - March 2009)

April	May	June	July	August	September	October	November	December	January	February	March	Total
126,947.00	102,655.00	117,921.00	105,196.00	120,388.00	105,766.00	104,955.00	120,125.00	106,351.00	105,155.00	104,930.00	120,388.00	1,340,777.00

7.11%

Company Labor - Program Change / *planned*  
Payroll Taxes on Program Change / *planned*

53,373
3,733

**CON EDISON  
2007 ELECTRIC RATE CASE FILING  
ACCOUNTING PANEL WORKPAPERS TO  
EXHIBIT \_\_\_ (AP-5), SCHEDULE 8,  
PROGRAM CHANGES**

**LINE 63  
PUBLIC AFFAIRS**



<b>Project/Program Title</b>	Energy Education and Customer Awareness
<b>Status</b>	Underway
<b>Estimated Service Date</b>	Ongoing

**Work Description:**

Con Edison will increase its energy information and public awareness efforts by expanding two programs. The *Energy Information* program highlights increased energy usage due to economic growth and new technologies; infrastructure upgrades and expansion to ensure safe, reliable service now and in the future; conservation programs to save energy and money; call us or visit web to report outages; promote payment options and Con Edison's children's energy Web site. The *We're Working for You 24/7* program highlights increased infrastructure investment to ensure safe, reliable power now and in the future; reminds customers to report any outages to us at 1-800-75-CONED or on our Web site; and to visit [www.conEd.com](http://www.conEd.com) or call toll-free EnergyLine for conservation tips to help customers use energy wisely everyday and save money.

**Justification:**

Communication and public outreach are very important to Con Edison and our goal is to be able to reach as wide an audience as possible through various materials and media. Con Edison uses advertising and marketing to inform our customers and the public about topics such as the need to maintain and enhance the electric infrastructure, energy conservation, and how to contact us in the event of an emergency. The communication programs are intended to help people understand the relationship between the equipment they use in their daily lives and the electric infrastructure that provides their energy. Con Edison relies on a wide variety of outlets to communicate with the public, including traditional daily and weekly print publications. We also advertise in local neighborhood publications to reach a more targeted audience. We use a broad range of New York's ethnic press to ensure that our messages reach all segments of our customer population. We also use radio to communicate with the local population. To effectively reach a broad audience in the New York metropolitan media market, we need to communicate through many different local and mass market outlets.

**Estimated Completion Date:**

Ongoing

**Planning and Budgeting:**

**Status:**

In progress

**Funding (\$000)**

Actual 2006	Forecast RYE 2009	Forecast RYE 2010	Forecast RYE 2011	Forecast Total
10,501	19,001	19,001	19,001	57,003



<b>Project/Program Title</b>	Web upgrades
<b>Status</b>	
<b>Estimated Service Date</b>	Ongoing

**Work Description:**

Con Edison is increasingly relying on the Web for communicating with the public, its customers, the media and governmental bodies, as well as for employee communications. There is also an increasing need to update and change information very quickly. Public Affairs is responsible for the overall management and design of the Web site. The increased use of the Web to conduct transactions, report problems and disseminate information requires a greater commitment of staffing, technical support, system development and electronic infrastructure. There is an ongoing need to regularly upgrade the Web design and infrastructure with technical support personnel available for maintenance or problems that might arise. This requires increased staffing and consultants who can provide assistance as the Web site is regularly updated, as well as software and system upgrades.

**Justification:**

The Web is increasingly used for communication with the public and customers. The upgrades to the Web will allow for a greater two way street for communication from the Company to the public and from the public to the Company. In order to maintain this communication, there is a significant amount of work "behind-the-scenes" that needs to be done to ensure that the Con Edison Web site is regularly updated and that it maintains accurate, current and timely information. A user friendly Web site is essential for encouraging increased electronic customer payments, which is a great benefit to our customers. "Traffic" on the Con Edison Web site is increasing and this trend is expected to continue, as more information is available on the Web and customers and the public increasingly rely on the Web for information and to conduct transactions in a timely and effective manner.

**Estimated Completion Date:**

Ongoing

**Planning and Budgeting:**

**Status:**

In progress

**Funding (\$000)**

Actual 2006	Forecast RYE 2009	Forecast RYE 2010	Forecast RYE 2011	Forecast Total
200	300	500	600	1,400



<b>Project/Program Title</b>	Increased Costs For Printing and Producing Publications
<b>Status</b>	Ongoing
<b>Estimated Service Date</b>	Ongoing

**Work Description:**

Public Affairs is responsible for designing, writing, producing, and mailing the company's annual report and other financial documents. Public Affairs is also involved in the writing, design and production of bill inserts, along with numerous other brochures, booklets, and flyers, signage and newsletters.

**Justification:**

Several of these documents are required by regulatory agencies, such as the Securities and Exchange Commission. They are critical tools for communicating with customers, employees and investors. They are used to convey messages about safety, energy efficiency and methods for communicating with Con Edison during an emergency. Production and paper prices are steadily rising and availability has declined.

**Estimated Completion Date:**

Ongoing

**Planning and Budgeting:**

**Status:**

Ongoing

**Funding (\$000)**

Actual 2006	Forecast RYE 2009	Forecast RYE 2010	Forecast RYE 2011	Forecast Total
930	1,030	1,080	1,130	3,240

**Public Affairs - O&M**

<b>Project/Program Title</b>	HR Normalization
<b>Status</b>	
<b>Estimated Service Date</b>	Ongoing

**Work Description:**

Public Affairs has 13 vacancies in various departments that interact with the public, media, elected officials, governmental bodies, civic and community groups, and local communities. The normalization adjustment is \$1.5 million to fill 13 positions, of which \$1.3 million is labor and \$200,000 is accounts payable.

**Justification:**

These positions are critical for ensuring that Con Edison has sufficient personnel to communicate with the public, elected officials, federal, state and municipal governmental bodies, local communities and the media in a timely fashion. They are particularly essential during emergency situations when staff is needed during off hours.

**Estimated Completion Date:**

Ongoing

**Planning and Budgeting:**

**Status:**

In progress

**Funding (\$000)**

Actual 2006	Forecast RYE 2009	Forecast RYE 2010	Forecast RYE 2011	Forecast Total
0	1,500	1,500	1,500	4,500

SUBMITTING ORGANIZATION: Public Affairs PROGRAM / PROJECT: 2008 Electric Rate Case

PROGRAM NAME: MR and Normalization VOLUME: X

PROGRAM START DATE: \_\_\_\_\_ NON-RECURRING: (Normalization)

O&M RATE YEAR \_\_\_\_\_ PLEASE CHECK ONE

AMOUNT (IN THOUSANDS OF DOLLARS)

MAG	FPC	ELEMENT OF EXPENSE	LENGTH OF PROGRAM	TIME MARCH 31, 2009		TIME MARCH 31, 2010		TIME MARCH 31, 2011	
				HISTORICAL YEAR LEVEL OF SPENDING	PROGRAM CHANGES	FIRST RATE YEAR LEVEL OF SPENDING	PROGRAM CHANGES	SECOND RATE YEAR LEVEL OF SPENDING	PROGRAM CHANGES
		LABOR		\$0	\$1,200	\$0	\$1,300	\$0	\$1,200
		AP - other		\$0	\$200	\$0	\$200	\$0	\$200
				\$0	\$0	\$0	\$0	\$0	\$0
				\$0	\$0	\$0	\$0	\$0	\$0
				\$0	\$0	\$0	\$0	\$0	\$0
				\$0	\$0	\$0	\$0	\$0	\$0
		TOTAL		\$0	\$1,500	\$0	\$1,500	\$0	\$1,500

UNITS OF PRODUCTION

MAG	FPC	WORK UNITS	LENGTH OF PROGRAM	TIME MARCH 31, 2009		TIME MARCH 31, 2010		TIME MARCH 31, 2011	
				HISTORICAL YEAR LEVEL OF WORK	PROGRAM CHANGES	FIRST RATE YEAR LEVEL OF WORK	PROGRAM CHANGES	SECOND RATE YEAR LEVEL OF WORK	PROGRAM CHANGES
				0	0	0	0	0	0
				0	0	0	0	0	0
				0	0	0	0	0	0
		TOTAL		0	0	0	0	0	0

CAPITAL CALENDAR YEAR

AMOUNT (IN THOUSANDS OF DOLLARS)

MAG	FPC	ELEMENT OF EXPENSE	LENGTH OF PROGRAM	2009		2010		2011	
				2009 Forecast	2009 Program Changes	2010 Forecast	2010 Program Changes	2011 Forecast	2011 Program Changes
				\$0	\$0	\$0	\$0	\$0	\$0
				\$0	\$0	\$0	\$0	\$0	\$0
				\$0	\$0	\$0	\$0	\$0	\$0
		TOTAL		\$0	\$0	\$0	\$0	\$0	\$0

UNITS OF PRODUCTION

MAG	FPC	WORK UNITS	LENGTH OF PROGRAM	2009		2010		2011	
				2009 Forecast	2009 Program Changes	2010 Forecast	2010 Program Changes	2011 Forecast	2011 Program Changes
				0	0	0	0	0	0
				0	0	0	0	0	0
				0	0	0	0	0	0
		TOTAL		0	0	0	0	0	0

COMMON (i.e. VEHICLES, COMPUTER EQUIPMENT, TOOLS, FACILITIES)

AMOUNT (IN THOUSANDS OF DOLLARS)

MAG	FPC	ELEMENT OF EXPENSE	LENGTH OF PROGRAM	2009		2010		2011	
				2009 Forecast	2009 Program Changes	2010 Forecast	2010 Program Changes	2011 Forecast	2011 Program Changes
				\$0	\$0	\$0	\$0	\$0	\$0
				\$0	\$0	\$0	\$0	\$0	\$0
				\$0	\$0	\$0	\$0	\$0	\$0
		TOTAL		\$0	\$0	\$0	\$0	\$0	\$0

AVERAGE HUMAN RESOURCES (MANAGEMENT & WEEKLY) (SEE NOTE BELOW)

MAG	FPC	JOB TITLE	2008	2009		2010		2011	
				2008 Forecast	2008 Program Changes	2009 Forecast	2009 Program Changes	2010 Forecast	2010 Program Changes
		Public Affairs Manager	1	1	1	1	1	1	1
		Senior Specialist	4	4	4	4	4	4	4
		Specialist	1	1	1	1	1	1	1
		TOTAL	6	6	6	6	6	6	6

NOTE:

Why: field employee @ Min-hour rate  
 Field employees (included in man hour rate)  
 Capital (included in man hour rate)  
 Construction (included in man hour rate)  
 Management (Bank Labor rate)  
 Engineering support (Bank Labor rate)  
 Contractor overhead (Bank Labor rate)

SERVICES IMPACTED:  
 BY PROGRAM CHANGE  
 ELECTRIC  
 O&M  
 COMMON - ELECTRIC, GAS & STEAM  
 COMMON - GAS & STEAM  
 COMMON - GAS & STEAM  
 SECONDARY O&M  
 SECONDARY O&M & NON-UTILITY

PLEASE CHECK ONE

**Exhibit \_\_ (AP-2)**

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Operating Income, Rate Base & Rate of Return**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

	<b>Original Filing Per Company Exh AP-9 Sch 1</b>	<b>Company Preliminary Update 08/07/07</b>	<b>Company Revised 08/07/07</b>	<b>Sch. Ref</b>	<b>Staff Adjustments</b>	<b>As Adjusted By Staff</b>	<b>Revenue Increase</b>	<b>Per Staff After Increase</b>
<b><u>Operating Revenues</u></b>								
Sales Revenues	\$ 6,658,977	\$ 3,949	\$ 6,662,926	1a	\$ 5,967	\$ 6,668,893	\$ 617,978	\$ 7,286,871
Other Operating Revenues	84,545		84,545	1b	65,185	149,730		149,730
Total Operating Revenues	<u>6,743,522</u>	<u>3,949</u>	<u>6,747,471</u>		<u>71,152</u>	<u>6,818,623</u>	<u>617,978</u>	<u>7,436,601</u>
<b><u>Operating Expense</u></b>								
Fuel	3,041,326		3,041,326			3,041,326		3,041,326
Operation & Maintenance Expenses	1,709,257	7,981	1,717,238	Sch. 2	(103,392)	1,613,846	3,399	1,617,245
Depreciation Expense	599,506	93	599,599	1c	(33,051)	566,548		566,548
Taxes Other Than Income Taxes	1,035,890	(26,388)	1,009,502	Sch. 3	(2,861)	1,006,641	17,921	1,024,562
Gains from Disposition of Utility Plant	(30,812)		(30,812)			(30,812)		(30,812)
Total Operating Expenses	<u>6,355,167</u>	<u>(18,314)</u>	<u>6,336,853</u>		<u>(139,304)</u>	<u>6,197,549</u>	<u>21,320</u>	<u>6,218,869</u>
Operating Income Before Income Taxes	388,355	22,263	410,618		210,456	621,074	596,658	1,217,732
New York State Income Tax	(1,635)	851	(784)	Sch. 4	16,376	15,592	42,363	57,955
Federal Income Tax	(32,094)	3,995	(28,099)	Sch. 5	69,593	41,494	194,003	235,497
Utility Operating Income	<u>\$ 422,084</u>	<u>\$ 17,417</u>	<u>\$ 439,501</u>		<u>\$ 124,487</u>	<u>\$ 563,988</u>	<u>\$ 360,292</u>	<u>\$ 924,280</u>
Rate Base	<u>\$ 13,324,070</u>	<u>\$ (895)</u>	<u>\$ 13,323,175</u>	Sch. 6	<u>\$ (574,489)</u>	<u>\$ 12,748,685</u>		<u>\$ 12,748,685</u>
Rate of Return	3.17%		3.30%			4.42%		7.25%

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Operation & Maintenance Expenses**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

	Original Filing Per Company Exh AP-5 Sch 1	Company Update 08/07/07	Company Revised 08/07/07	Sch. 8 Ref	Staff Adjustments	As Adjusted By Staff
Admin & General Expenses Capitalized	\$ (10,896)	\$ (478)	\$ (11,374)			\$ (11,374)
Asbestos Removal	813		813			813
Bowline and Roseton Charges	373		373			373
Bank Collection Fees	230		230			230
Benefit Cost - Program Change Labor	7,082		7,082			7,082
Betterment Program	-		-			-
Boiler Cleaning	612		612			612
Building Services / Facilities	30,574		30,574			30,574
Central Engineering - Administrative	1		1			1
Central Engineering - Distribution	1,145		1,145			1,145
Collection Agency Fees	458		458			458
Communications - Telephone	21,337		21,337	2a	(6,834)	14,503
Company Labor - Program Change	-		-			-
Company Labor	562,810	350	563,160	2b	(11,842)	551,318
AMR / AMI Saturation Savings	(1,892)		(1,892)	2c	1,892	-
Consultants	10,517		10,517			10,517
Contract Labor	1,601		1,601			1,601
Corrective Maintenance	4,258		4,258			4,258
DC Incentive Program	-		-			-
Disposal of Obsolete M&S	8,051		8,051			8,051
DSM	20,356		20,356			20,356
Duplicate Misc. Charges	(19,074)		(19,074)	2d	(896)	(19,970)
EDP Equipment Rentals & Maintenance	3,769		3,769			3,769
Electric and Gas Used	215		215			215
Employee Pension / OPEBs	82,098	(947)	81,151			81,151
Employee Welfare Expense - Net	97,482		97,482	2e	(6,865)	90,617
Environmental Affairs	2,379		2,379			2,379
Environmental Programs	1,064		1,064			1,064
ERRP - Major Maintenance	7,442		7,442			7,442
Exec. and Mgt. Incentive Plan	-		-			-
Facilities Maintenance	4,448		4,448			4,448
Financial Services	6,096		6,096			6,096
Gas Turbines	3,108		3,108			3,108
Grounds and Buildings	331		331			331
Information Resources	24,098		24,098			24,098
Informational Advertising	22,123		22,123	2f	(13,147)	8,976
Injuries and Damages Reserve	40,110	(509)	39,601			39,601
Institutional Dues & Subscriptions	1,421		1,421			1,421
Insurance Premiums	29,425		29,425	2g	(3,752)	25,673
Interference	106,433	(2,862)	103,571	2h	(11,586)	91,985
LIC Outage	-	1,064	1,064			1,064
Corporate and Fiscal Expenses	3,607		3,607			3,607
Major Maintenance Projects	-		-			-
Manhour Expense	33,298		33,298			33,298
Marshall's Fees	1,345		1,345			1,345
Materials and Supplies	14,959		14,959	2i	(25)	14,934
MGP / Superfund	50,002	471	50,473	2j	(25,734)	24,739
NY Power Pool	21		21			21
Other (Fossil)	2,576		2,576			2,576
Outside Legal Services	1,877		1,877			1,877
Paving	271		271			271
Plant Component Upgrade	292		292			292
Plant Inspection and Repair	-		-			-
Postage	14,190		14,190	2k	(636)	13,554
Preventive Maintenance	2,356		2,356			2,356
Promotional Advertising	-		-			-
RCA - Pension	-		-			-
RCA - Amortization of Hudson-Farragut	477		477			477
RCA - Interference	-		-			-
RCA - Amortization of Hudson Avenue	-		-			-
System Benefit Charge / Renewable Portfolio Standard	118,287		118,287			118,287
Real Estate Expenses	2,070		2,070			2,070
Regulatory Commission Expenses	27,247		27,247			27,247
Rents	54,433		54,433			54,433
Rents (ERRP)	67,213	3,949	71,162			71,162
Rents (Interdepartmental)	4,834		4,834			4,834
Research and Development	22,750		22,750	2l	(3,750)	19,000
Routine Maintenance	-		-			-
Scheduled Overhauls	1,273		1,273			1,273
Security	2,278		2,278			2,278
Shared Services	(6,315)	(293)	(6,608)	2m	(1,381)	(7,989)
Steam Transfer Credit (Fossil)	(1)		(1)			(1)
Storm Costs	8,000		8,000			8,000
Transformer Installations	55		55			55
Tree Trimming	20,900		20,900			20,900
Trenching	7,963		7,963			7,963
Uncollectible	37,124		37,124			37,124
Water	779		779	2n	(35)	744
Water Chemicals	88		88			88
Waterside (includes labor)	-		-			-
Other	144,610	7,236	151,846	2o	(18,801)	133,045
<b>Total O &amp; M Expenses</b>	<b>\$ 1,709,257</b>	<b>\$ 7,981</b>	<b>\$ 1,717,238</b>	<b>Sch. 1</b>	<b>\$ (103,392)</b>	<b>\$ 1,613,846</b>

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Taxes Other Than Income Taxes**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

	<u>Original Filing Per Company Exh AP-5 Sch 1</u>	<u>Company Update 08/07/07</u>	<u>Company Revised 08/07/07</u>	<u>Sch. 8 Ref</u>	<u>Staff Adjustments</u>	<u>As Adjusted By Staff</u>	<u>Effect of Revenue Increase</u>	<u>Per Staff After Increase</u>
Property Taxes								
New York City	\$ 700,089	\$ (26,388)	\$ 673,701	3a	\$ (1,771)	\$ 671,930		\$ 671,930
Westchester	81,572		81,572			81,572		81,572
Property Tax Reconciliation Deferral	-		-			-		-
Total Property Taxes	<u>781,661</u>	<u>(26,388)</u>	<u>755,273</u>		<u>(1,771)</u>	<u>753,502</u>		<u>753,502</u>
Revenue taxes	178,149		178,149			178,149	17,921	196,070
Payroll Taxes	55,094		55,094	3b	(1,090)	54,004		54,004
Subsidiary Capital Tax	4,228		4,228			4,228		4,228
Receipts Tax	15,079		15,079			15,079		15,079
All Other Taxes	<u>1,679</u>		<u>1,679</u>			<u>1,679</u>		<u>1,679</u>
Total Taxes Other Than Income Taxes	<u>\$ 1,035,890</u>	<u>\$ (26,388)</u>	<u>\$ 1,009,502</u>	Sch. 1	<u>\$ (2,861)</u>	<u>\$ 1,006,641</u>	<u>\$ 17,921</u>	<u>\$ 1,024,562</u>

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**New York State Income Tax**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

	<u>Original Filing</u> <u>Per Company</u> <u>Exh AP-9 Sch 2</u>	<u>Company</u> <u>Update</u> <u>08/07/07</u>	<u>Company</u> <u>Revised</u> <u>08/07/07</u>	<u>Ref</u>	<u>Staff</u> <u>Adjustments</u>	<u>As filed by</u> <u>Staff</u>	<u>Revenue</u> <u>Increase</u>	<u>Per Staff</u> <u>After Increase</u>
Operating Income Before Income Taxes	\$ 388,355	\$ 22,263	\$ 410,618	Sch. 1	\$ 210,456	\$ 621,074	\$ 596,658	\$ 1,217,732
<u>Flow Through Items:</u>								
<u>Deduct: Non-Taxable Income and Additional Deductions:</u>								
Interest Expense	395,556	10,284	405,840		(20,197)	385,643		385,643
Medicare Part D Subsidy - Post-Employment Benefits	15,824		15,824			15,824		15,824
Total Deductions	411,380	10,284	421,664		(20,197)	401,467	-	401,467
<u>Normalized Items:</u>								
<u>Add: Additional Income and Unallowable Deductions</u>								
Book Depreciation	599,506	93	599,599	Sch. 1	(33,051)	566,548		566,548
Contributions in Aid of Construction	1,855		1,855			1,855		1,855
Capitalized Interest	10,055		10,055			10,055		10,055
Pension and OPEB Expenses Per Books	82,098	(947)	81,151			81,151		81,151
Total Additions	693,514	(854)	692,660		(33,051)	659,609	-	659,609
<u>Deduct: Non-Taxable Income and Additional Deductions</u>								
NYS Depreciation	586,293	(483)	585,810			585,810		585,810
Removal Costs	160,688		160,688			160,688		160,688
Repair Allowance	14,553		14,553			14,553		14,553
Amortization of Capitalized Interest	3,881		3,881			3,881		3,881
Loss on MACRS Retirement	44,763		44,763			44,763		44,763
Pension / OPEB Expense - Funding	108,134	33,605	141,739			141,739		141,739
Westchester Property Tax Adjustment	597		597			597		597
Correction of ADR Tax Amortization	16,059		16,059			16,059		16,059
Interest on Federal Income Tax Audit Adjustments - Net	7,404		7,404			7,404		7,404
New York State Tax Law Changes	9,207		9,207			9,207		9,207
Interest on First Avenue Properties	2,752		2,752			2,752		2,752
WTC Expenses	(37,270)		(37,270)		23,270	(14,000)		(14,000)
Carrying Charges on T&D Expenditures	(52,623)		(52,623)		2,740	(49,883)		(49,883)
Gain on the Sale of First Avenue Properties	30,812		30,812			30,812		30,812
Total Deductions	895,250	33,122	928,372		26,010	954,382	-	939,829
Total Adjustments to Income	\$ (613,116)	\$ (44,260)	\$ (657,376)		\$ (38,864)	\$ (696,240)		\$ (696,240)
Taxable Income - New York State	\$ (224,761)	\$ (21,997)	\$ (246,758)		\$ 171,592	\$ (75,166)	\$ 596,658	\$ 521,492
<u>Tax Computation</u>								
Current NYS Income Tax Payable @ 7.1%	(15,958)	(1,562)	(17,520)		12,183	(5,337)	42,363	37,026
Deferred NYS Income Tax @ 7.1%	14,323	2,412	16,736		4,193	20,929	-	20,929
Total New York State Income Tax	\$ (1,635)	\$ 851	\$ (784)	Sch. 1	\$ 16,376	\$ 15,592	\$ 42,363	\$ 57,955

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Federal Income Tax**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

	Original Filing Per Company Exh AP-9 Sch 2	Company Update 08/07/07	Company Revised 08/07/07	Ref	Staff Adjustments	As filed by Staff	Revenue Increase	Per Staff After Increase
Operating Income Before Income Taxes	\$ 388,355	\$ 22,263	\$ 410,618	Sch. 1	\$ 210,456	\$ 621,074	\$596,658	\$1,217,732
New York State Income Tax	(1,635)	851	(784)	Sch. 4	16,376	15,592	42,363	57,955
Operating Income Before Federal Income Tax	389,990	21,412	411,402		194,080	605,482	554,295	1,159,777
<b>Flow Through Items:</b>								
<b>Add: Additional Income and Unallowable Deductions</b>								
Book Depreciation	599,506	93	599,599	Sch. 1	(33,051)	566,548		566,548
Hudson-Farragut Amortization - Per Books	477		477			477		477
Capitalized Interest	10,055		10,055			10,055		10,055
Total Additions	610,038	93	610,131		(33,051)	577,080	-	577,080
<b>Deduct: Non-Taxable Income and Additional Deductions</b>								
Interest Expense	395,556	10,284	405,840		(20,197)	385,643		385,643
Statutory Depreciation - at Current Book Rates	276,385	(173)	276,212	5a	(7,769)	268,443		268,443
Statutory Depreciation - Change at Proposed Book Rates	27,829	(21)	27,808	5b	(6,441)	21,367		21,367
Statutory Depreciation - Change with Reserve Deficiency	5,049		5,049	5c	(3,401)	1,648		1,648
Removal Costs	160,688		160,688			160,688		160,688
Medicare Part D Subsidy - Post-Employment Benefits	15,824		15,824			15,824		15,824
Amortization of Capitalized Interest	2,039		2,039			2,039		2,039
Westchester Property Tax Adjustment	597		597			597		597
Dividends Paid on \$5 Cumulative Preferred Stock	3,327		3,327			3,327		3,327
Total Deductions	887,294	10,090	897,384		(37,808)	859,576	-	859,576
<b>Normalized Items:</b>								
<b>Add: Additional Income and Unallowable Deductions</b>								
Contributions in Aid of Construction	1,855		1,855			1,855		1,855
Pension / OPEB Expenses - Rate Year	82,098	(947)	81,151			81,151		81,151
Deferred NYS Income Tax	14,323	2,412	16,736	Sch. 4	4,193	20,929		20,929
Total Additions	98,276	1,465	99,742		4,193	103,935	-	103,935
<b>Deduct: Non-Taxable Income and Additional Deductions</b>								
Statutory Depreciation - at Current Book Rates	377,690	(741)	376,949	5d	(10,617)	366,332		366,332
Statutory Depreciation - Change at Proposed Book Rates	(27,829)	21	(27,808)	5e	6,441	(21,367)		(21,367)
Statutory Depreciation - Change with Reserve Deficiency	(5,049)		(5,049)	5f	3,401	(1,648)		(1,648)
Repair Allowance	14,553		14,553			14,553		14,553
Amortization of Capitalized Interest	1,842		1,842			1,842		1,842
Loss on MACRS Retirement	26,426		26,426			26,426		26,426
Pension / OPEB Expense - Funding	108,134	33,605	141,739			141,739		141,739
Correction of ADR Tax Amortization	16,059		16,059			16,059		16,059
Interest on Federal Income Tax Audit Adjustments - Net	7,404		7,404			7,404		7,404
New York State Tax Law Changes	9,207		9,207			9,207		9,207
Interest on First Avenue Properties	2,752		2,752			2,752		2,752
WTC Expenses	(37,270)		(37,270)		23,270	(14,000)		(14,000)
Carrying Charges on T&D Expenditures	(52,623)		(52,623)		2,740	(49,883)		(49,883)
Gain on the Sale of First Avenue Properties	30,812		30,812			30,812		30,812
Total Deductions	472,108	32,885	504,993		25,235	530,228	-	530,228
Total Adjustments to Income	(651,088)	(41,417)	(692,504)		(16,285)	(708,789)	-	(708,789)
Taxable Income - Federal	\$ (261,098)	\$ (20,004)	\$ (281,102)		177,795	\$ (103,307)	\$ 554,295	\$ 450,988
<b>Tax Computation</b>								
Current Federal Income Tax @ 35%	(91,384)	(7,001)	(98,386)		62,228	(36,158)	194,003	157,846
Deferred Federal Income Tax @ 35%	130,841	10,997	141,838		7,365	149,203	-	149,203
<b>Amortization of Previously Deferred Federal Income Tax</b>								
Depreciation - ADR/ACRS/MACRS - at Current Book Rates	(38,759)		(38,759)			(38,759)		(38,759)
Depreciation - ADR/ACRS/MACRS - at Proposed Book Rates	(1,436)		(1,436)			(1,436)		(1,436)
Depreciation - ADR/ACRS/MACRS - Reserve Deficiency	(2,539)		(2,539)			(2,539)		(2,539)
Loss on MACRS Retirements	(3,232)		(3,232)			(3,232)		(3,232)
Repair Allowance	(9,617)		(9,617)			(9,617)		(9,617)
Capitalized Overheads	(11,197)		(11,197)			(11,197)		(11,197)
Investment Tax Credit	(4,771)		(4,771)			(4,771)		(4,771)
Total Federal Income Tax	\$ (32,094)	\$ 3,995	\$ (28,099)	Sch. 1	\$ 69,593	\$ 41,494	\$ 194,003	\$ 235,497

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Rate Base**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

	Original Filing Per Company Exh AP - 8	Company Update 08/07/07	Company Revised 08/07/07	Ref	Staff Adjustments	As Adjusted Staff
<u>Utility Plant:</u>						
Book Cost of Plant	\$ 17,505,526	\$ 2,587	\$ 17,508,113	6a	\$ (187,884)	\$ 17,320,229
Accumulated Reserve for Depreciation	(3,789,936)	38	(3,789,898)	6b	8,238	(3,781,660)
Net Plant	13,715,590	2,625	13,718,215		(179,646)	13,538,569
Non-Interest Bearing CWIP	347,912	1,946	349,858			349,858
Preferred Stock Expense	2,366		2,366			2,366
Unamortized Debt Discount Premium and Expense	135,204	743	135,947			135,947
Deferred Fuel - Net of Tax	37,008		37,008			37,008
FIT Refund Deficiency - Include Interest - Net of Tax	18,971		18,971			18,971
Unamortized Balance - Hudson Farragut	1,800		1,800			1,800
Customer Advances for Construction	(206)		(206)			(206)
MTA Surtax - Net of Tax	1,789		1,789			1,789
Working Capital	560,994	(4,800)	556,194	Sch. 7	(15,520)	540,673
Excess Rate Base Over Capitalization Adjustment	382,035		382,035	6c	(202,661)	179,374
Early Retirement Termination Benefit (1993) - Net of Tax	-		-			-
Early Retirement Termination Benefit (1993) - Net of Tax	9,095		9,095			9,095
Low Income Fund - Net of Tax	-		-			-
Arrears Avoidance Program - Net of Tax	-		-			-
DC Service Incentive - Net of Tax	(5,808)		(5,808)			(5,808)
System Benefits Charge/Retail Portfolio Standard - Net of Tax	(3,845)		(3,845)			(3,845)
Amounts Billed in Advance of Construction - Net of Tax	(5,218)		(5,218)			(5,218)
BIR Discounts - Recovery - Net of Tax	3,339		3,339	6d	(3,339)	-
Emergency Demand Response Program - Initial Costs - Net of Tax	-		-			-
Direct Load Control Program - Net of Tax	-		-			-
NOX Emissions Allowances - Net of Tax	-		-			-
Sale of NOX Emissions Allowances - Net of Tax	-		-			-
Cogen Technologies - Reimbursement for O&M - Net of Tax	-		-			-
Sale / Appropriation of Property	-		-			-
CATV Pole Attachment Revenue - Net of Tax	-		-			-
Partial Pass Thru Fuel Adjustment - Net of FIT	-		-			-
Washington Heights & WTC Security Initiative - Net of Tax	-		-			-
Customer Refund Associated with Divested Plants - Net of Tax	-		-			-
Customer Refund Associated with Waterside - Net of Tax	-		-			-
Electric Reliability Penalty - Net of Tax	-		-			-
Rate Case Pension Deferral - Net of Tax	-		-			-
Rate Case OPEB Deferral - Net of Tax	-		-			-
Expiring Amortization of Deferred Costs - Net of Tax	-		-			-
Forgoing Rental Income - West 24th Street - Net of Tax	-		-			-
<u>Rate Case Reconciliations - Net of Federal Income Taxes</u>						
Refund of Gain From Sale of First Avenue Properties	(46,315)		(46,315)			(46,315)
Refund of Customer Benefits From the Correction of ADR Taxes	(23,758)		(23,758)			(23,758)
Refund of Interest on Federal Income Tax Audit Adjustments	(11,129)		(11,129)			(11,129)
Refund of Over Collection of NYS Tax Law Changes	(12,632)		(12,632)			(12,632)
Recovery of Carrying Charges on T&D Expenditures	79,099		79,099	6e	(4,130)	74,969
Recovery of WTC Costs	156,508		156,508	6f	(156,508)	-
Recovery of DC Conversion Incentive Program	-		-	6g	(2,800)	(2,800)
Recovery of ERRP Major Maintenance Unexpended Fund	-		-	6h	(2,622)	(2,622)
<u>Accumulated Deferred Income Taxes</u>						
ADR / ACRS / MACRS Deductions	(1,642,582)	(1,059)	(1,643,641)	6i	136	(1,643,505)
Change of Accounting Section 263A	(298,381)		(298,381)			(298,381)
Vested Vacation	12,101		12,101			12,101
Prepaid Insurance Expenses	(1,729)		(1,729)			(1,729)
Unbilled Revenues	105,914		105,914			105,914
Contributions in Aid of Construction	14,231		14,231			14,231
Capitalized Interest	4,861		4,861			4,861
Advanced Refunding of Mortgage Bonds	-		-			-
Repair & Maintenance Allowance - 2002-2006 IRS Audit	6,193		6,193			6,193
Customer Deposits	33,799		33,799			33,799
Call Premium	(20,307)		(20,307)			(20,307)
Excess Deferred SIT (2000/2001)	-		-			-
Excess Deferred SIT (2007)	-		-	6j	(6,263)	(6,263)
Deferred SIT	(232,829)	(350)	(233,179)	6k	(1,136)	(234,315)
Total Rate Base	<u>\$ 13,324,070</u>	<u>\$ (895)</u>	<u>\$ 13,323,175</u>	Sch. 1	<u>\$ (574,489)</u>	<u>\$ 12,748,685</u>

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Working Capital Allowance**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

	<b>Original Filing Per Company Exh AP - 8</b>	<b>Company Update 08/07/07</b>	<b>Company Revised 08/07/07</b>	<b>Ref</b>	<b>Staff Adjustments</b>	<b>As filed by Staff</b>
<b>Materials &amp; Supplies</b>						
Liquid Fuel Inventory	\$ 5,715		\$ 5,715			\$ 5,715
Materials & Supplies, Excluding Fuel	86,787		86,787			86,787
<b>Total Materials &amp; Supplies</b>	<u>92,502</u>	<u>-</u>	<u>92,502</u>		<u>-</u>	<u>92,502</u>
<b>Prepayments</b>						
Insurance	12,653		12,653	7a	(1,876)	10,777
Rents	15,138		15,138			15,138
Property Taxes	172,755	(5,916)	166,839	7b	\$ (720)	166,119
PSC Assessment	7,949		7,949			7,949
Interference	1,694		1,694			1,694
EPRI	173		173			173
Other	12,012		12,012			12,012
<b>Total Prepayments</b>	<u>222,374</u>	<u>(5,916)</u>	<u>216,458</u>		<u>(2,596)</u>	<u>213,862</u>
<b>Cash Working Capital</b>						
Total Operations & Maintenance Expenses	4,750,583	7,981	4,758,564	Sch. 2	(103,392)	4,655,172
Less:						
Purchased Power Expenses	2,781,137		2,781,137			2,781,137
Gas Portion of Fuel	232,879		232,879	Sch. 2	-	232,879
Recoverable Fuel Costs	25,382		25,382			25,382
Interdepartmental Rents	4,834		4,834			4,834
Uncollectibles	37,124		37,124	Sch. 2	-	37,124
Pensions / OPEBs	82,098	(947)	81,151	Sch. 2	-	81,151
Subtotal	<u>3,163,454</u>	<u>(947)</u>	<u>3,162,507</u>		<u>-</u>	<u>3,162,507</u>
Cash Working Capital Subject to 1/8th Allowance	1,587,129	8,928	1,596,057		(103,392)	1,492,665
Cash Working Capital @ 1/8th	198,392	1,116	199,508		(12,924)	186,583
Add: Cash Working Capital @ 1/12th on Recoverable Fuel	2,115	-	2,115		-	2,115
<b>Total Cash Working Capital</b>	<u>200,507</u>	<u>1,116</u>	<u>201,623</u>		<u>(12,924)</u>	<u>188,698</u>
<b>Total</b>	<u>515,383</u>	<u>(4,800)</u>	<u>510,583</u>		<u>(15,520)</u>	<u>495,062</u>
Add: Working Capital Related to Purchased Power @ 1.64%	45,611	-	45,611		-	45,611
<b>Total Working Capital</b>	<u>\$ 560,994</u>	<u>\$ (4,800)</u>	<u>\$ 556,194</u>	Sch. 6	<u>\$ (15,520)</u>	<u>\$ 540,673</u>

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Explanation of Adjustments**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

<b>Adj.</b>	<b>No.</b>	<b>Explanation</b>	<b>Amount</b>
		<b><u>Operating Revenues - Schedule 1</u></b>	
1a		<b>Sales Revenues</b>	
		Sales	
		To reflect priceout of Staff's electric sales forecast. (Liu/Staff Rate Panel)	\$ 18,367
		Low Income Program	
		To reflect Staff's increase to Low Income Program. (Consumer Services Panel)	<u>(12,400)</u>
			\$ 5,967
1b		<b>Other Operating Revenues</b>	
		Late Payment Charge Revenues	
		To reflect the ratio of .2704 for non-residential and .4417 for residential LPC. (Accounting Panel)	\$ 641
		To reflect increase in LPC revenues related to Staff's increase of sales. (Accounting Panel)	67
		Fuel Management Program	
		To reflect the three-year average of Fuel Management Program revenues. (Accounting Panel)	39
		Direct Current Incentive	
		To reflect the pass back of surplus DC revenues to customers. (Accounting Panel)	9,000
		ERRP Major Maintenance Unexpended Fund	
		To reflect the pass back of unexpended funds. (Accounting Panel)	8,683
		Excess Deferred SIT	
		To reflect the pass back of excess deferred state income taxes. (Accounting Panel)	20,745
		LIC Investments	
		To reflect the elimination of carrying charges on LIC investments from T&D reconciliation deferral. (Accounting Panel)	2,740
		Recovery of WTC Costs	
		To reflect the \$14 million amortization of the WTC deferred balance. (Accounting Panel)	<u>23,270</u>
		Total Adjustment to Other Operating Revenues	65,185
		Total Adjustment to Operating Revenues	<u>\$ 71,152</u>
1c		<b><u>Depreciation Expense - Schedule 1</u></b>	
		To reflect AMI adjustment to depreciation. (Rieder)	\$ (12,000)
		To reflect Staff's changes to the Company's proposed book depreciation rates. (Rieder)	(11,704)
		To reflect the change in computed reserve based on the Staff's changes to book depreciation rates. (Rieder)	(6,180)
		To reflect the decrease in depreciation expense related to Staff's adjustment to T&D capital expenditures. (Infrastructure Investment Panel)	(2,076)
		To reflect the decrease in depreciation expense related to Staff's adjustment to OCS capital expenditures. (Consumer Services Panel)	(41)
		To reflect the elimination of LIC plant additions. (Accounting Panel)	<u>(1,050)</u>
		Total Adjustment to Depreciation Expense	<u>\$ (33,051)</u>

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Explanation of Adjustments**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

<b>Adj.</b>	<b>No.</b>	<b>Explanation</b>	<b>Amount</b>
		<b><u>Operation and Maintenance Expenses - Schedule 2</u></b>	
2a		Communications To reflect the elimination of AMI. (Rieder)	\$ (6,834)
2b		Company Labor To reflect the elimination of 36 CSRs and 2 Supervisors in Call Center. (Consumer Services Panel)	\$ (1,042)
		To reflect the elimination of 15 CFRs in Field Operations. (Consumer Services Panel)	(390)
		To reflect the elimination of the Meteorologist. (Accounting Panel)	(150)
		To reflect the elimination of 12 positions in Finance & Audit. (Accounting Panel)	(1,024)
		To reflect the elimination of 13 Shared Service Administration employees. (Accounting Panel)	(909)
		To reflect the elimination of executive compensation. (Accounting Panel)	(4,867)
		To reflect the elimination of 25 positions for the Emergency Management Organization. (Staff Electric Emergency Preparedness)	(2,136)
		To reflect the elimination of 24 Trouble Shooters for the Control Center Emergency Screening. (Staff Electric Emergency Preparedness)	(613)
		To reflect labor escalation adjustment. (Accounting Panel)	(711)
		Total Adjustment to Company Labor	(11,842)
2c		AMR / AMI Saturation Savings To reflect the elimination of the AMI program. (Rieder)	1,892
2d		Duplicate Miscellaneous Charges To reflect general inflation on duplicate miscellaneous charges. (Accounting Panel)	(896)
2e		Employee Welfare Expense To reflect the latest 2007 contract rates plus inflation. (Accounting Panel)	\$ (5,846)
		To reflect the reduction to employee welfare expenses due to various Staff adjustments to employee levels. (Accounting Panel)	(1,019)
		Total Adjustment to Employee Welfare Expense	(6,865)
2f		Informational Advertising To reflect Staff's adjustments to general outreach and education costs. (Consumer Services Panel)	\$ (6,250)
		To reflect Staff's adjustment to Public Affairs. (Accounting Panel)	(6,897)
		Total Adjustment to Informational Advertising	(13,147)
2g		Insurance Premiums To reflect the latest known premium for excess liability plus inflation. (Accounting Panel)	(3,752)
2h		Interference To reflect the corrected forecast of interference. (Accounting Panel)	(11,586)
2i		Materials & Supplies To reflect the elimination of the Emergency Management Organization. (Staff Electric Emergency Preparedness)	(25)
2j		MGP/Superfund To reflect five-year amortization of projected costs. (Accounting Panel)	(25,734)
2k		Postage To reflect the elimination of the general escalation on postage. (Accounting Panel)	(636)
2l		Research & Development To reflect Staff's allowed rate year R&D programs. (Pause)	(3,750)

**Consolidated Edison Company of New York, Inc.**  
**Electric Service**  
**Explanation of Adjustments**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

<b>Adj. No.</b>	<b><u>Explanation</u></b>	<b><u>Amount</u></b>
2m	Shared Service To reflect the correction of shared services. (Accounting Panel)	(1,381)
2n	Water To reflect the elimination of the general escalation on water. (Accounting Panel)	(35)
2o	Other	
	To reflect the elimination of AMI. (Rieder)	\$ (1,628)
	To reflect the elimination of the speech recognition enhancements and deployment of 150 remote CSRs. (Consumer Services Panel)	(14)
	To reflect the elimination of stock options. (Accounting Panel)	(14,811)
	To reflect Staff's adjustment related to the Stray Voltage Testing Program. (Infrastructure Investment Panel)	(22)
	To reflect Staff's adjustment related to Mobile Stray Voltage Testing. (Infrastructure Investment Panel)	(33)
	To reflect the elimination of the Emergency Management Organization. (Staff Electric Emergency Preparedness)	(1,202)
	To reflect the elimination of the shared service training. (Accounting Panel)	(277)
	To reflect the general inflation adjustment. (Accounting Panel)	(814)
	Total Other O&M	<u>(18,801)</u>
	Total Adjustment to Operation and Maintenance Expenses	<u>\$ (103,392)</u>
<b><u>Taxes Other Than Income Taxes - Schedule 3</u></b>		
3a	Property Taxes To reflect known actual data in the forecast of New York City property tax. (Accounting Panel)	\$ (1,771)
3b	Payroll Taxes To track adjustment to payroll taxes relating to Staff's changes to company labor. (Accounting Panel)	<u>(1,090)</u>
	Total Adjustment to Taxes Other Than Income Taxes	<u>\$ (2,861)</u>
<b><u>Federal Income Tax - Schedule 5</u></b>		
<b>Flow Thru Items</b>		
5a	Tracking adjustment for Statutory Depreciation reflecting Staff's adjustments to Plant in Service.	\$ (7,769)
5b	Tracking adjustment for Statutory Depreciation reflecting Staff's adjustments to depreciation rate.	\$ (6,441)
5c	Tracking adjustment for Statutory Depreciation reflecting Staff's adjustments to reserve deficiency.	\$ (3,401)
<b>Normalized items</b>		
5d	Tracking adjustment for Statutory Depreciation reflecting Staff's adjustments to Plant in Service.	\$ (10,617)
5e	Tracking adjustment for Statutory Depreciation reflecting Staff's adjustments to depreciation rate.	\$ 6,441
5f	Tracking adjustment for Statutory Depreciation reflecting Staff's adjustments to reserve deficiency.	\$ 3,401

**Consolidated Edison Company of New York, Inc.**  
**For the Twelve Months Ending March 31, 2009**  
**Explanation of Adjustments**  
**For the Twelve Months Ending March 31, 2009**  
**(\$000's)**

<b>Adj.</b>	<b>No.</b>	<b>Explanation</b>	<b>Amount</b>
		<b><u>Rate Base - Schedule 6</u></b>	
		Net Plant	
6a		Book Cost of Plant	
		To reflect the removal of AMI from the rate year Plant in Service. (Rieder)	\$ (57,522)
		To reflect Staff's adjustment to T&D Plant in Service. (Infrastructure Investment Panel)	(79,382)
		To reflect Staff's adjustment to Customer Operations Plant in Service. (Consumer Services Panel)	(1,380)
		To reflect the elimination of LIC related costs in Plant in Service. (Accounting Panel)	<u>(49,600)</u>
		Total Adjustment to Plant In Service	\$ (187,884)
6b		Accumulated Reserve for Depreciation	
		To reflect the accumulated reserve for depreciation based on Staff's proposed change to depreciation rates. (Rieder)	\$ 5,852
		To reflect the accumulated reserve for depreciation based on Staff's proposed change to reserve deficiency. (Rieder)	3,090
		To reflect the removal of AMI from the rate year accumulated depreciation. (Rieder)	3,215
		To reflect the decrease in depreciation related to Staff's adjustments to T&D capital expenditures. (Infrastructure Investment Panel)	833
		To reflect the decrease in depreciation related to Staff's adjustments to Customer Operations capital expenditures. (Consumer Services Panel)	18
		To reflect the elimination of LIC related costs in Depreciation Reserve. (Accounting Panel)	<u>(4,770)</u>
		Total Adjustment to Accumulated Reserve for Depreciation	8,238
		Total Adjustment to Net Plant	<u>\$ (179,646)</u>
		To reflect tracking adjustment of working capital. (Schedule 7)	(15,520)
6c		EBCAP in Rate Base	
		To reflect various changes to the historic data. (Accounting Panel)	\$ (55,546)
		To reflect pension in EBCAP. (Accounting Panel)	<u>(147,115)</u>
		Total Adjustment to EBCAP in Rate Base	(202,661)
6d		To remove the BIR Discount net of tax balance. (Accounting Panel)	(3,339)
6e		To reflect elimination of carrying charges on LIC investments. (Accounting Panel)	(4,130)
6f		To reflect the elimination of WTC costs in rate base. (Accounting Panel)	(156,508)
6g		To reflect the pass back of DC Conversion Incentive Program. (Accounting Panel)	(2,800)
6h		To reflect the pass back of ERRP Major Maintenance Unexpended Funds. (Accounting Panel)	(2,622)
6i		Tracking adjustment to reflect the Deferred FIT due to depreciation changes.	136
6j		To reflect Excess Deferred SIT due to rate change of 7.5% to 7.1%. (Accounting Panel)	(6,263)
6k		Tracking adjustment to reflect the Deferred SIT due to depreciation changes.	(1,136)
		Total Adjustment to Rate Base	<u>\$ (574,489)</u>
		<b><u>Working Capital - Schedule 7</u></b>	
7a		To reflect the change in insurance expense. (Accounting Panel)	\$ (1,876)
7b		To reflect the change of property tax expense adjustment on prepayments. (Accounting Panel)	\$ (720)

**Exhibit \_\_ (AP-3)**

**Staff's Response to Administrative Law Judge's December 23, 2004  
Questions Concerning the Joint Proposal in Case 04-E-05723**

Question 68: Please reconcile the environmental remediation target in Appendix F with the \$24.741 million figure presented in the rebuttal/update testimony of Mr. Price.

Staff responded (figures are shown in \$000):

Response: This table shows the calculation of the \$8.9 million annual allowance. The first 7 lines of data can be matched directly to data found on Mr. Price's exhibit. The Joint Proposal reflects a five-year amortization of the projected costs. The net annual amount was then multiplied by the electric allocation of 78.7%, which can also be seen on Mr. Price's exhibit. The total revenue requirement for the three-year rate plan of \$26.6 million was then leveled.

	RY1	RY2	RY3	Cumulative
MGP	\$33,000	\$33,000	\$33,000	\$99,000
Superfund	2,650	1,600	1,600	5,850
Appendix B	4,175	1,400	1,400	6,975
Astoria	3,375	1,500	1,500	6,375
Garage Costs	410	705	470	1,585
Prepayments	(25,475)	0	0	
Total	18,135	38,205	37,970	
Recovery Period	5yrs	5yrs	5yrs	
Amortization	3,627	7,641	7,594	
	0.787	0.787	0.787	
Electric Portion	2,854	6,013	5,976	
Years in Agreement	3	2	1	
Total Amortization	\$8,563	\$12,027	\$5,976	\$26,567
Allowance/Target	\$8,855	\$8,855	\$8,855	\$26,565