



Consolidated Edison Company  
of New York, Inc.  
4 Irving Place  
New York NY 10003  
www.conEd.com

April 27, 2006

Honorable Jaclyn A. Brillling  
Secretary  
State of New York  
Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223-1350

**Re: Case 03-E-0641, Mandatory Hourly Pricing for Commodity Service**

Dear Secretary Brillling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") is filing with the Public Service Commission (the "Commission") revisions to the Company's Schedule for Electricity Service, P.S.C. No. 9 – Electricity and its Retail Access Rate Schedule, P.S.C. No. 2 – Retail Access applicable to its customers in the City of New York and the County of Westchester.

The amended tariff leaves in P.S.C. No. 9 – Electricity are identified in Attachment A. The amended tariff leaves in P.S.C. No. 2 – Retail Access are identified in Attachment B. The leaves bear an issue date of April 28, 2006, and have an effective date of May 1, 2006.

**Reason for Filing**

The Commission's Order Denying Petitions for Rehearing and Clarification in Part and Adopting Mandatory Hourly Pricing Requirements, issued and effective April 24, 2006 ("the April Order"), in Case 03-E-0641, "Proceeding on Motion of the Commission Regarding Expedited Implementation of Mandatory Hourly Pricing for Commodity Service," approved, with modifications, the Company's draft tariff leaves and outreach plan that were filed with the Commission on November 21, 2005, pursuant to the Commission's Order issued September 23, 2005, in Case 03-E-0641. The November 2005 filing outlined the Company's plans to implement Mandatory Hourly Pricing ("MHP") to its customers who are currently subject to mandatory time-of-day

("TOD") pricing under Service Classifications ("SCs") 4, 5, 8, 9, 12, and 13, beginning with bills having a "from" date of May 1, 2006. These customers, with few exceptions<sup>1</sup>, will be served under Rider M – Day-ahead Hourly Pricing<sup>2</sup> on a mandatory basis.

### **Proposed Tariff Changes**

Pursuant to Ordering Clause 4 of the April Order, the Company is filing tariff amendments to implement MHP in accordance with the draft leaves filed on November 21, 2005, subject to the following modifications:

- a) Rider M: Pursuant to the April Order (page 35), the Company has specified that TOD customers served under economic development programs described in General Rule III-11(W) may request to be served under MHP for any remaining requirements if they would otherwise be eligible for Rider M for their entire electrical demand. Further, in compliance with the April Order (page 37), the Company has explicitly stated that MHP customers have no minimum term of service under Rider M. Such customers may elect retail access service pursuant to the Uniform Business Practices.

Ordering Clause 3 of the April Order requires utilities to include in their hourly pricing tariffs their method for deriving retail hourly prices from NYISO zonal wholesale day-ahead prices. The method was described in the draft Rider M tariff leaves that were filed with the Commission on November 21, 2005, and is contained, with minor clarifications, in the Rider M leaves submitted herewith. The draft tariff language submitted in November 2005 indicated that "this information" would be made available to customers for each of the 24 rating periods for each day of the year after the close of the NYISO market, but no later than 4 P.M. The leaf submitted herewith clarifies that "this information" refers to the NYISO posted, zonal day-ahead market price for energy adjusted for losses. It also specifies that the per-kilowatthour Ancillary Service Charges and NYPA Transmission Adjustment Charges (adjusted for losses) will be posted to the Company's website and, in any month in which one or both charges will be changed, the updated charges will be posted to the Company's website prior to the eighth billing cycle of that month: those charges shall be in effect beginning with monthly bills having a

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<sup>1</sup> Customers will not be subject to Rider M if one or more of the following conditions exists: (a) they have multiple meters of which one or more are not served on a time-of-day basis; (b) they receive high tension service that is metered on the low tension side of the transformer; (c) they take retail access service and are not served under Special Provision C of SC 14-RA; and (d) their energy purchases are delivered under one or more of the economic development programs described in General Rule III-11(W); provided, however, that service for any remaining requirements, as specified in paragraph (2)(e) of General Rule III-11(W), may be served by the Company under Rider M if such Customer would otherwise be eligible for mandatory service under Rider M and has requested in writing to be served under Rider M.

<sup>2</sup> Rider M was previously named, "Voluntary Real-time Pricing." With implementation of MHP, Rider M is now available on both a voluntary and mandatory basis as specified in the Rider.

"to date" on or after the eighth billing cycle of that month and shall remain in effect until changed.

- b) General Rule III-11(W), "Billing Applicable to Service Under Certain Economic Development Programs": The Company has specified MHP availability to TOD customers served under General Rule III-11(W), as described above. Further, the Company has indicated how kilowatthour usage will be allocated to Rider M service for such customers for each hour of each billing period.
- c) Monthly Adjustment Clause ("MAC"): The April Order (page 40) indicates that any utility seeking to recover foregone delivery service revenues associated with MHP must petition the Commission. The Company has, therefore, modified the MAC to indicate that recovery through the MAC of foregone delivery service revenues associated with Rider M is limited to the voluntary program.<sup>3</sup>

In addition, the Company has made housekeeping changes to conform SC 5 to the other demand-billed SCs. The Company has modified SC 5 to indicate that Rider M service is available to customers served under SC 5. Further, it has indicated that if an SC 5 - Rate II customer has multiple meters, one or more of which is not on a TOD basis, the registrations of such meters will be billed on the time-of-day characteristics indicated by the time-of-day meter. (However, as with customers in other demand-billed SCs, such customer will not be eligible for Rider M service unless the customer upgrades all the meters to interval metering or elects to have the non-time-of-day meter(s) served under a separate account.)

### Other

The April Order (page 26) directs utilities "to offer ESCOs' customers access to any load or rate analysis products provided to full-service customers at identical prices, terms and conditions, on a non-discriminatory basis." The Company presently makes available at no charge to all interval-metered customers, both full-service and retail access without differentiation, an Internet-based Demand Monitoring System ("DMS") that includes analytical tools as well as providing hourly usage data. This web-based system, which was developed by and is operated by an independent contractor, allows customers to track their energy usage on a one-day lag. The Company initially offered only load data through this service with the intent to file for a tariff charge for future use of the service. However, the Company has not yet made a filing to impose a charge pending the outcome of the Commission's consideration of competitive metering and data issues in Case 00-E-0165, In the Matter of Competitive Metering. Until such time as a filing is made and approved by the Commission, there will be no charge to any interval-metered customer accessing DMS.

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<sup>3</sup> The Commission approved MAC recovery of foregone revenues associated with voluntary service under Rider M in its March 23, 2001 order issued in Case 00-E-2054.

### Conclusion and Notice

Pursuant to Ordering Clause 4 of the Commission's April Order, this filing has been issued on not less than one day's notice to become effective, on a temporary basis, on May 1, 2006. Copies of this filing will be served on all parties to Case 03-E-0641 and Case 04-E-0572 by email. The Company will notify customers eligible for MHP by letter. As a result, the Company requests waiver of newspaper publication.

Very truly yours,

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.



Christine Colletti  
Director  
Rate Engineering

P.S.C. No. 9 - Electricity

Fourteenth Revised Leaf No. 3  
Superseding Thirteenth Revised Leaf No. 3

Third Revised Leaf No. 59-H  
Superseding Second Revised Leaf No. 59-H

Tenth Revised Leaf No. 145  
Superseding Ninth Revised Leaf No. 145

Sixth Revised Leaf No. 146  
Superseding Fifth Revised Leaf No. 146

Seventh Revised Leaf No. 159  
Superseding Sixth Revised Leaf No. 159

Twentieth Revised Leaf No. 162  
Superseding Eighteenth Revised Leaf No. 162  
(Nineteenth Revised Leaf No. 162 – Pending)

First Revised Leaf No. 231  
Superseding Original Leaf No. 231

Seventh Revised Leaf No. 234  
Superseding Sixth Revised Leaf No. 234

Fourth Revised Leaf No. 237  
Superseding Third Revised Leaf No. 237

Twentieth Revised Leaf No. 240-A  
Superseding Nineteenth Revised Leaf No. 240-A

Thirteenth Revised Leaf No. 240-A-1  
Superseding Twelfth Revised Leaf No. 240-A-1

Fourteenth Revised Leaf No. 240-C  
Superseding Thirteenth Revised Leaf No. 240-C

Seventh Revised Leaf No. 243  
Superseding Sixth Revised Leaf No. 243

First Revised Leaf No. 263  
Superseding Original Leaf No. 263

Seventh Revised Leaf No. 266  
Superseding Sixth Revised Leaf No. 266

Fourth Revised Leaf No. 269  
Superseding Third Revised Leaf No. 269

First Revised Leaf No. 273  
Superseding Original Leaf No. 273

Seventh Revised Leaf No. 276  
Superseding Sixth Revised Leaf No. 276

Second Revised Leaf No. 280  
Superseding First Revised Leaf No. 280

Third Revised Leaf No. 312  
Superseding Second Revised Leaf No. 312

Twenty-fifth Revised Leaf No. 315  
Superseding Twenty-fourth Revised Leaf No. 315

Ninth Revised Leaf No. 316  
Superseding Eighth Revised Leaf No. 316

First Revised Leaf No. 319  
Superseding Original Leaf No. 319

First Revised Leaf No. 321  
Superseding Original Leaf No. 321

Fifth Revised Leaf No. 323  
Superseding Fourth Revised Leaf No. 323

Fifth Revised Leaf No. 325  
Superseding Fourth Revised Leaf No. 325

P.S.C. No. 2- Retail Access

Second Revised Leaf No. 173  
Superseding First Revised Leaf No. 173

Second Revised Leaf No. 174  
Superseding First Revised Leaf No. 174

**TARIFF LEAVES FOR P.S.C. No. 9 - ELECTRICITY**

TABLE OF CONTENTS – Continued

General Information – Continued

	Leaf No.
V. Provisions Hereof Subject to Termination, Change or Modification.....	84-A
VI. Service Classification Riders (For Applicability, See Individual Riders) .....	85 - 158-R
A. Continuance of Agreement for Service by Receiver, etc.....	85
B. Conjunctional Billing .....	86
C. Intercommunicating Buildings.....	88
D. Operation of Fire Alarm or Signal System .....	89
E. Series Metering - Owner's or Landlord's Agreement .....	91
F. Series Metering - Tenant's Agreement.....	92
G. Submetering .....	93
H. Off-Peak Domestic Hot Water Storage Rate.....	95
I. Reserved for Future Use .....	97
J. Business Incentive Rate .....	135
K. Pole Attachment Rental Rate .....	139
L. Rate Available Under New York State Economic Development Zones Act (N.Y. Laws of 1986, Ch. 686) .....	140
M. Day-ahead Hourly Pricing .....	145
N. Emergency Service.....	147
O. Curtailable Electric Service .....	151
P. Purchases of Installed Capacity .....	158-A
Q. Power for Jobs Program .....	158-C
R. Net Metering for Customer-Generators .....	158-H
S. Reserved for Future Use .....	158-J
T. DC Conversion Program.....	158-N
U. Distribution Load Relief Program .....	158-Q
V. Emergency Demand Response Program .....	158-S
W. Day Ahead Demand Reduction Program .....	158-U
X. Rate for Use of Company Facilities for Telecommunications Purposes.....	158-X
Y. Rates and Charges for Customers Requesting High Load-Density Service.....	158-Y
VII. Market Supply Charge, Monthly Adjustment Clause, and Adjustments .....	159 - 164-A
VIII. Increase in Rates Relating to Taxes and Other Charges and Adjustments .....	165 - 168
(A) Increase in Rates Applicable in Municipality Where Service is Supplied.....	165
(B) Other Charges and Adjustments .....	167

(Table of Contents - Continued on Leaf No. 3-A)

Date of Issue: April 28, 2006

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Issued in compliance with order in Case 03-E-0641 dated April 24, 2006

Issued by Robert N. Hoglund, Senior Vice President and  
Chief Financial Officer  
4 Irving Place, New York, N.Y. 10003

**GENERAL INFORMATION - Continued**

**III. General Rules, Regulations, Terms and Conditions under Which Electric Service Will Be Supplied,  
Applicable to and Made a Part of All Agreements for Electric Service - Continued**

**11. Metering and Billing - Continued**

**(W) Billing Applicable to Service Under Certain Economic Development Programs – Continued**

(2) Continued

(j) Competitive Services

Customers who have part of their requirements served under one or more of the economic development programs specified in this General Rule are ineligible for Consolidated Billing Credits under the Retail Access Rate Schedule; provided, however, that Customers served under Rider Q – Power for Jobs Program are eligible for such credits only if an ESCO issues billing for the Customer's entire requirements and all of those requirements are served under the Retail Access Rate Schedule.

If part of a Customer's requirements are served under one or more of the economic development programs specified in this General Rule, any applicable Metering Credits (as described in General Rule III-11(V) of this Rate Schedule) will be applied to service under the economic development program under which the Customer is enrolled that has the highest priority as determined under paragraph (2)(a) of this General Rule: no additional Metering Credits will be applied to service under any other program or Rate Schedule.

(k) Service Under Rider M

Rider M is not available to a Customer who is served under one or more of the programs specified in this General Rule, unless all of the following conditions exist: (a) the Customer has remaining requirements as specified in paragraph (2)(e) above; (b) the Customer would otherwise be eligible for mandatory service under Rider M; and (c) the Customer has requested in writing to be served under Rider M.

The energy served under Rider M for each hour of the month will be equal to the total kilowatt-hour usage for each hour of the month multiplied by 1 minus the Allocation Ratio for all programs served under this General Rule.

(General Information - Continued on Leaf No. 60)

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GENERAL INFORMATION - Continued

VI. Service Classification Riders (Available on Request) - Continued

Rider M

Applicable to Service Classification Nos. 4, 5, 8, 9, 12, and 13  
(Subject to the provisions thereof)

M – DAY-AHEAD HOURLY PRICING

(A) Applicability: Service under this Rider is mandatory, beginning with bills having a “from” date on or after May 1, 2006, to any Customer taking service under one of the following: (a) Rate II of Service Classification No. 4, 5, 8, 9, or 12 of this Rate Schedule; (b) Service Classification No. 13 of this Rate Schedule; or (c) Special Provision C of Service Classification No. 14-RA of the Retail Access Rate Schedule if such Customer would otherwise be required to take service under Service Classification No. 13 or Rate II of Service Classification No. 4, 5, 8, 9, or 12. Service under this Rider is available on a voluntary basis to other Customers taking service under Service Classification Nos. 4, 5, 8, 9, or 12 of this Rate Schedule that have their entire service measured by one or more interval meters, as set forth in Special Provision (D)3. Rider M is not available under the conditions described in Special Provision (D)2.

(B) Term of Service:

1. For Customers Served Under Rider M on a Voluntary Basis: Provided that interval metering has been installed to measure the Customer’s usage, a Customer may commence service under this Rider as of the Customer’s next scheduled meter reading date upon written notice to the Company at least 15 days before such date. If billing systems must be modified or added, Customers will commence service under this Rider as of the earliest practicable meter reading date. The minimum term of service under this Rider shall be one year and shall renew automatically for subsequent one-year periods unless the Customer gives at least 15 days prior written notice prior to the end of any one-year term. Customers terminating service under this Rider shall thereafter be ineligible for service hereunder for one year following termination. Service will be terminated as of the Customer’s first scheduled meter reading occurring after the required notice period.
2. For Customers Served Under Rider M on a Mandatory Basis: There is no term of service. Customers may elect retail access service pursuant to Section 5 of the Uniform Business Practices for Retail Access, Addendum-UBP to the Company’s Retail Access Rate Schedule.

(C) Rates Applicable: Customers receiving service under this Rider, either on a mandatory or voluntary basis, will be subject to the following:

1. Rates and Charges: The Customer will be subject to the rates and charges of the Customer’s otherwise applicable Service Classification:
  - (a) Less the Market Supply energy charge(s) applicable in each month under the Customer’s otherwise applicable Service Classification for the Customer’s location.
  - (b) Less the Adjustment Factor – MSC described in General Information Section VII applicable in each month under the Customer’s otherwise applicable Service Classification for the Customer’s location.
  - (c) Plus the Customer’s actual energy usage priced at the applicable hourly energy prices. The prices will be provided to the Customer for each of the 24 hours of every day of the year on a day-ahead basis as described in Special Provision (D)1.
2. Other: Customers served under this Rider will be subject to the other terms and conditions of the Service Classification under which service is taken.

(General Information - Continued on Leaf No. 146)

**GENERAL INFORMATION - Continued**

**VI. Service Classification Riders (Available on Request) - Continued**

**M -DAY-AHEAD HOURLY PRICING – Continued**

(D) Special Provisions

1. Pricing Periods and Customer Pricing Information: Customers taking service under this Rider shall be subject to 24 hourly rating periods for each day of the year. The energy charges for each hour will be equal to: (a) the NYISO posted, zonal day-ahead market price for energy adjusted for losses, plus (b) per-kilowatthour charges for Ancillary Service Charges and NYPA Transmission Adjustment Charges adjusted for losses ("NTAC/Ancillary Charges"). NTAC/Ancillary Charges are equal to the average monthly values of the charges as determined from available NYISO information. The NYISO posted, zonal day-ahead market price for energy, adjusted for losses, shall be made available to Customers for each of the 24 rating periods for each day of the year, after the NYISO market closes, but no later than 4 P.M., on the day prior to the day the rates are to be effective. NTAC/Ancillary Charges will be posted to the Company's website. In any month in which NTAC/Ancillary Charges will be changed, the updated charges will be posted to the Company's website prior to the eighth billing cycle of that month. Those charges shall be in effect beginning with monthly bills having a "to date" on or after the eighth billing cycle of that month and shall remain in effect until changed.
2. Restrictions as to Availability of this Rider: Service under this Rider shall not be available if one or more of the following conditions exists: (a) the Customer receives high tension service that is metered on the low tension side of the transformer; (b) the registration of one or more meters on the Customer's account is not on a time-of-day basis; (c) delivery service is taken under the Company's Retail Access Rate Schedule by a Customer who is not served under Special Provision C of Service Classification No. 14-RA.; or (d) the Customer's energy purchases are delivered under one or more of the economic development programs described in General Rule III-11(W); provided, however, that service for any remaining requirements, as specified in paragraph (2)(e) of General Rule III-11(W), may be served by the Company under Rider M if such Customer would otherwise be eligible for mandatory service under Rider M for the entire electrical demand and has requested in writing to be served under Rider M.
3. Metering: Customers' entire service must be measured by one or more interval meters, and Customers must maintain any associated pilot wire in good working order. If a Customer requests service under this Rider on a voluntary basis and the Customer's service is not measured by one or more interval meters provided in connection with other Company service requirements, the Customer shall arrange for the furnishing and installation of interval metering with telecommunications capability, and arrange for telecommunications service, at the Customer's expense, net of any available discount or rebate.

(General Information - Continued on Leaf No. 147)

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**GENERAL INFORMATION – Continued**

**VII. Market Supply Charge, Monthly Adjustment Clause, and Adjustments**

**A. Market Supply Charge**

The rates for electric service include a Market Supply Charge ("MSC") applicable to Customers served under this Rate Schedule, including Customers served under Special Provision C of SC 14-RA of the Retail Access Schedule, except as specified below. The MSC varies by Service Classification and is calculated separately for Customers served in the New York City and combined Westchester NYISO zones as defined in General Information Section I. MSCs are estimated on a monthly basis. Beginning May 1, 2005, MSCs will be estimated for a three-month period and will be updated prior to the start of the next three-month period. Not less than 3 business days prior to February 1, May 1, August 1, and November 1, a Statement of Market Supply Charge and Monthly Adjustment Clause (Statement) will be filed with the Public Service Commission apart from this Rate Schedule. Such Statement will show for each month covered by the Statement the applicable MSC amounts by Service Classification. Depending on the Service Classification, MSC amounts will be shown either in cents per kilowatt-hour or in both dollars per kilowatt and cents per kilowatt-hour. A copy of the Statement in effect will be available to the public on the Company's website. The MSC is not applicable to Customers served under Service Classification No. 11 of this Rate Schedule. The cents per-kilowatt-hour component of the MSC is not applicable to Customers served under Rider M of this Rate Schedule. Except for Customers served under Special Provision C of Service Classification No. 14-RA, the MSC is not applicable to Customers served under the Retail Access Rate Schedule.

1. MSC Components

The components of the MSC include:

- 1) market cost of energy and capacity based on NYISO market prices;
- 2) Ancillary Service Charges including certain NYISO Schedule 1 charges including Scheduling, System Control & Dispatch ("S, SC & D") Service Charge, Local Reliability S, SC & D Service Charge and Market Administration and Control Area Service Charge;
- 3) NYPA Transmission Adjustment Charge ("NTAC"); and
- 4) certain other transmission-related charges and credits for Customers served under this Rate Schedule.

2. Adjustment Factor – MSC

Estimated MSC amounts recovered in rates on a calendar month basis shall be reconciled to actual market supply costs on a calendar month basis. The actual market supply costs are defined as the costs the Company would have incurred if the requirements to serve Customers under this Rate Schedule were to have been purchased solely from the NYISO market calculated on a load-weighted average market price based on available NYISO billing data at the end of each month.

The MSC will be reconciled separately for New York City and the combined Westchester NYISO zones. As approved by the Commission in its orders dated February 28, 2000 and April 24, 2000 in Case 96-E-0897, the rates under all Service Classifications shall be subject each month to an adjustment based on the MSC reconciliation amounts, which adjustment is referred to as the "Adjustment Factor - MSC." All Customers subject to the MSC, except for Customers served under Rider M, are subject to the Adjustment Factor – MSC.

(General Information - Continued on Leaf No. 159-A)

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GENERAL INFORMATION – Continued

VII. Market Supply Charge, Monthly Adjustment Clause, and Adjustments – Continued

1. MAC Components - Continued

- (15) the difference between actual market based costs as determined in the calculation of the Adjustment Factors – MSC, and total actual costs incurred for energy, capacity and Ancillary Services to serve Customers under this Rate Schedule, including costs of financial hedging instruments associated with transactions intended to reduce price volatility to customers (e.g., transaction costs, such as option premiums, costs of providing credit support and margin requirements, and professional fees, and gains and losses associated with such transactions made in the commodities exchanges and with other counterparties) except as described in General Information Section VII.B.4, “Hedging Instruments”;
- (16) foregone delivery service revenues associated with the provision of service under Rider M (voluntary service only), Rider P, Rider W, and the Company’s Direct Load Control Program;
- (17) foregone electric revenues resulting from decreased electric requirements associated with steam air conditioning installations by Customers under Special Provision E of Service Classification Nos. 2 and 3 of Con Edison’s Schedule for Steam Service, P.S.C. No.3 - Steam;
- (18) foregone steam revenues associated with steam rate discounts for steam air conditioning installations by Customers under Special Provision E of Service Classification Nos. 2 and 3 of Con Edison’s Schedule for Steam Service, P.S.C. No. 3 - Steam;
- (19) all costs on an as-incurred basis, including but not limited to payments to Customers where applicable and capital costs for enabling technologies, associated with the implementation of programs conducted under Rider M, Rider P, Rider U, the Company’s Direct Load Control Program, the Targeted Demand Side Management Program to the extent authorized by the Public Service Commission in Case 03-E-1332, the steam rate discount under Special Provision E of Service Classification Nos. 2 and 3 of Con Edison’s Schedule for Steam Service, P.S.C. No. 3 - Steam, the Company’s interval meter installation incentive program, the Company’s program to support energy service company load reduction efforts, and the Company’s marketing program for demand response programs;
- (20) certain costs related to the restoration and operation of Hudson Avenue Unit 10/100 as authorized in the Public Service Commission’s Memorandum Order in Case 01-E-0147, issued April 27, 2001, and decommissioning costs if approved by the Public Service Commission;
- (21) the Company’s lost revenues and costs for both targeted and system-wide demand management programs, net of the value of deferred distribution capital expenditures for the targeted program, above the levels associated with the System Benefits Charge, and any demand management program-related incentives, as approved by the Public Service Commission in Case 04-E-0572;
- (22) Switching and Retention Incentive Payments, as approved by the Public Service Commission in Case 04-E-0572;

(General Information - Continued on Leaf No. 163)

SERVICE CLASSIFICATION NO. 4 - Continued

COMMERCIAL AND INDUSTRIAL - REDISTRIBUTION

Rate II - Commercial and Industrial - Redistribution - Time-of-Day

**Applicability:**

**Mandatory:** To Customers whose maximum demand in any month between January 1, 1975, and September 30, 1988, exceeded 3,000 kw (Phase 1); to Customers whose maximum demand in any month between January 1, 1980, and September 30, 1988, exceeded 1,500 kw but was equal to or less than 3,000 kw excluding those Customers taking service under Riders I, J or L and billed under Rate II as provided below (Phase 2).

*Mandatory Time-of-Day Rates also apply to:*

- (1) any Customer, other than those Customers taking service under Riders I, J or L, whose monthly maximum demand after September 30, 1988, exceeds 1,500 kw in any annual period ending September 30;
- (2) any new Customer, other than a new Customer taking service under Riders I, J or L, whose monthly maximum demand in the Company's estimate will exceed 1,500 kw during the first year of service;
- (3) successors of Customers referred to above; and
- (4) any Customer taking service under Riders I, J or L, whose monthly maximum demand exceeds 900 kw, or in the case of a new Customer, whose monthly maximum demand in the Company's estimate will exceed 900 kw during the first year of service.

A Rate II Customer shall be transferred to and billed under Rate I when the Customer's monthly maximum demand does not exceed 900 kw for 12 consecutive months unless the Customer elects to be billed under Rate III. A Customer with multiple meters whose demand meter registrations are added together for billing purposes pursuant to the provisions of this Rate Schedule shall be billed under Rate II if the Customer qualifies for Rate II pursuant to one or more of the criteria stated above and if at least one of the meters:

- (1) has registered 500 kw or more in any month in the 12-month period ending October 6, 1989; or
- (2) registers 500 kw or more in any month in any annual period ending September 30 after October 6, 1989.

Beginning with bills having a "from" date on or after May 1, 2006, Customers served under Mandatory Time-of-Day rates who purchase power and energy from the Company under this Rate Schedule will take service under Rider M unless they are not eligible for Rider M. Customers served under Rider M are charged for their actual energy usage priced at the applicable hourly prices, in place of the per-kilowatt-hour component of the Market Supply Charge ("MSC") and the Adjustment Factor - MSC. Customers not eligible for Rider M are billed in the same manner as Optional Time-of-Day Customers.

**Optional:** To Customers eligible to take service under Special Provision H.

Customers billed under Optional Time-of-Day Rates are subject to the per-kilowatt-hour and per-kilowatt components of the MSC and the Adjustment Factor - MSC if they purchase power and energy from the Company.

(Service Classification No. 4 - Continued on Leaf No. 232)

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Issued by Robert N. Høglund, Senior Vice President and  
Chief Financial Officer  
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**SERVICE CLASSIFICATION NO. 4 - Continued**

**COMMERCIAL AND INDUSTRIAL - REDISTRIBUTION**

**Common Provisions Applicable to Rate I, Rate II, and Rate III**

**Additional Charges and Adjustments**

Customers taking service under this Rate Schedule are subject to the Market Supply Charge ("MSC") and Adjustment Factor - MSC, as described in General Information Section VII and shown on the Statement of Market Supply Charge and Monthly Adjustment Clause and on the Statement of Adjustment Factor - MSC; provided, however, that Customers taking service under Rider M are subject to charges for their actual energy usage pursuant to Rider M, in place of the per-kilowatt-hour component of the MSC and the Adjustment Factor - MSC. Customers taking service under this Rate Schedule and Customers taking service under the Retail Access Rate Schedule are subject to additional delivery service charges, consisting of the Monthly Adjustment Clause ("MAC"), Adjustment Factor - MAC, System Benefits Charge, Renewable Portfolio Standard Charge (effective October 2005), and other charges and adjustments, as applicable, as described in General Information Sections VII and VIII-(B) and shown on the related Statements.

**Increase in Rates and Charges**

The rates and charges under this Service Classification, including minimum charge or Minimum Monthly Charge and Additional Charges and Adjustments described above, are increased by the applicable percentage as explained in General Information Section VIII-(A) and shown on the related Statement.

**Determination of Demand**

The Company will install a demand measuring device of a type approved by the Public Service Commission for the determination of the maximum demand. (See General Rule III-11 (D) for definition of maximum demand.) When demand is determined by an interval meter, the maximum demand for each respective time period shall be the integrated demand occurring during the two highest contiguous fifteen minute intervals during each applicable time period.

**Terms of Payment**

Net cash on presentation of bill, subject to late payment charge in accordance with provisions of General Rule III-11 (N).

**Term**

One year from the date of installation of service hereunder; terminable thereafter by the Customer upon 30 days' prior notice in writing and by the Company in accordance with law or the provisions of this Rate Schedule. A Customer who elects to transfer from Rate I to Rate III will be ineligible for billing at Rate I for one year subsequent to the commencement of billing at Rate III. This limitation will apply to all Customers served under Rate III on and after April 1, 1996. A Customer who elects to discontinue being billed under Rate III will be ineligible for voluntary time-of-day rates for a period of one and one-half years from the commencement of billing at Rate I.

(Service Classification No. 4 - Continued on Leaf No. 235)

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4 Irving Place, New York, N.Y. 10003

**SERVICE CLASSIFICATION NO. 4 - Continued**

**COMMERCIAL AND INDUSTRIAL - REDISTRIBUTION**

**Special Provisions - Continued**

(E) Where both high tension and low tension service are supplied and billed under Rate I to a Customer under a single agreement, the high tension service will be billed at the high tension rate and the low tension service will be billed at the appropriate succeeding steps of the low tension rate. For Rate I, where the Customer is billed on the basis of coincident maximum demand, the number of kilowatts of high tension demand, for billing purposes, will be determined by applying to the coincident maximum demand the ratio that the high tension non-coincident maximum demand bears to the sum of the high tension and the low tension non-coincident maximum demands. The number of kilowatts of low tension demand, for billing purposes, shall be equal to the difference between the number of kilowatts of high tension demand, determined as herein provided, and the coincident maximum demand.

With respect to energy billed under Rate II or Rate III where both high tension and low tension service are supplied and billed to a Customer under a single agreement, the number of kilowatthours of on-peak energy for the high tension and low tension service will be determined by applying to the high tension and low tension energy the ratio that the on-peak energy for the entire account bears to the sum of the on-peak and off-peak energy for the entire account. The off-peak high tension and low tension energy will be the balance of the energy use for high tension and low tension, respectively.

(F) Where a Customer's account under Rate II or Rate III is metered with multiple meters and where the registration of some of the meters is not on a time-of-day basis, the registrations of such meters will be billed on the time-of-day characteristics indicated by the time-of-day meter; provided, however, that such Customer will not be eligible for service under Rider M. If the conjunctionally or plurally-metered Customer so elects, however, the electricity supplied through the non-time-of-day meters will be billed as one separate account under the appropriate rate, except as provided under Special Provision K.

(G) Whenever a Customer's maximum demand for a period of 12 consecutive months shall not have exceeded 5 kilowatts, the Customer will thereafter be billed under Service Classification No. 2 - General - Small, except as to Customers supplied under the terms of Special Provision A hereof.

(H) The Company will provide service under Rate II on an optional basis to a limited number of Customers who have the major portion of their heating or cooling requirements supplied by thermal storage.

*This service is provided under the following conditions:*

- (1) Approximately 20 Customers will be accepted;
- (2) Customers must otherwise be eligible for service under Rate I of this Service Classification;

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Chief Financial Officer  
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**SERVICE CLASSIFICATION NO. 5 - Continued**

**ELECTRIC TRACTION SYSTEMS**

**Rate II – Mandatory Time-of-Day**

Applicability: Mandatory Time-of-Day Rates apply to (1) any Customer whose monthly maximum demand after September 30, 1995 exceeds 1,500 kw in any annual period ending September 30; (2) any new Customer whose monthly maximum demand in the Company's estimate will exceed 1,500 kw during the first year of service; and (3) successors of Customers referred to in (1) and (2).

A Customer with multiple meters whose demand meter registrations are added together for billing purposes pursuant to the provisions of this Rate Schedule shall be billed under Rate II if the Customer qualifies for Rate II pursuant to one or more of the criteria stated above and if at least one of the meters has registered 500 kw or more in any month.

Beginning with bills having a "from" date on or after May 1, 2006, Customers served under Rate II who purchase power and energy from the Company under this Rate Schedule will take service under Rider M unless they are not eligible for Rider M. Customers served under Rider M are charged for their actual energy usage priced at the applicable hourly prices, in place of the per-kilowatt-hour component of the Market Supply Charge ("MSC") and the Adjustment Factor – MSC.

Where a Customer's account under Rate II is metered with multiple meters and where the registration of some of the meters is not on a time-of-day basis, the registrations of such meters will be billed on the time-of-day characteristics indicated by the time-of-day meter and such Customer will not be eligible for service under Rider M. Customers not eligible for Rider M are subject to the per-kilowatt-hour and per-kilowatt components of the MSC and the Adjustment Factor - MSC if they purchase power and energy from the Company. If the conjunctionally or plurally-metered Customer so elects, however, the electricity supplied through the non-time-of-day meters will be billed as one separate account under the appropriate rate.

(Service Classification No. 4 - Continued on Leaf No. 240-A-1)

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Chief Financial Officer  
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**SERVICE CLASSIFICATION NO. 5 - Continued**  
**ELECTRIC TRACTION SYSTEMS**

**Rate II - Mandatory Time-of-Day - Continued**

**Low Tension Service**

*Demand Charge (per kilowatt of maximum demand for each time period)*

<u>Month</u>	<u>Time Period</u>	<u>Delivery Service</u>
June, July, August, September	Mon.-Fri., 8 AM - 6 PM	\$4.20
	Mon.-Fri., 8 AM - 10 PM	\$8.59
	All hours - all days	\$8.23
All other months	Mon. - Fri., 8 AM - 10 PM	\$7.31
	All hours - all days	\$2.59

*Energy Delivery Charge (cents per kilowatthour)*

<u>Month</u>	<u>Time Period</u>	<u>Delivery Service</u>
June, July, August, September	Mon. - Fri., 8 AM - 10 PM	0.52
	All other days/hours	0.52
All other months	Mon. - Fri., 8 AM - 10 PM	0.52
	All other days/hours	0.52

**High Tension Service**

*Demand Charge (per kilowatt of maximum demand for each time period)*

<u>Month</u>	<u>Time Period</u>	<u>Delivery Service</u>
June, July, August, September	Mon.-Fri., 8 AM - 6 PM	\$ 4.20
	Mon.-Fri., 8 AM - 10 PM	\$ 8.59
All other months	Mon. - Fri., 8 AM - 10 PM	\$ 7.31

*Energy Delivery Charge (cents per kilowatthour)*

<u>Month</u>	<u>Time Period</u>	<u>Delivery Service</u>
June, July, August, September	Mon. - Fri., 8 AM - 10 PM	0.52
	All other days/hours	0.52
All other months	Mon. - Fri., 8 AM - 10 PM	0.52
	All other days/hours	0.52

The demand charge for each time period will be determined by multiplying the maximum demand for the respective time period by the rate applicable to the demand for that time period. The total demand charge will be the sum of the charges for each of the time periods.

(Service Classification No. 5 - Continued on Leaf No. 240-A-2)

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**SERVICE CLASSIFICATION NO. 5 - Continued**

**ELECTRIC TRACTION SYSTEMS**

**Common Provisions Applicable to Rate I and Rate II**

**Additional Charges and Adjustments**

Customers taking service under this Rate Schedule are subject to the Market Supply Charge (“MSC”) and Adjustment Factor - MSC, as described in General Information Section VII and shown on the Statement of Market Supply Charge and Monthly Adjustment Clause and on the Statement of Adjustment Factor - MSC; provided, however, that Customers taking service under Rider M are subject to charges for their actual energy usage pursuant to Rider M, in place of the per-kilowatthour component of the MSC and the Adjustment Factor – MSC. Customers taking service under this Rate Schedule and Customers taking service under the Retail Access Rate Schedule are subject to additional delivery service charges, consisting of the Monthly Adjustment Clause (“MAC”), Adjustment Factor - MAC, System Benefits Charge, Renewable Portfolio Standard Charge (effective October 2005), and other charges and adjustments, as applicable, as described in General Information Sections VII and VIII-(B) and shown on the related Statements.

**Increase in Rates and Charges**

The rates and charges under this Service Classification, including minimum charge or Minimum Monthly Charge and Additional Charges and Adjustments described above, are increased by the applicable percentage as explained in General Information Section VIII-(A) and shown on the related Statement.

**Determination of Demand**

The Company will install a demand measuring device of a type approved by the Public Service Commission for the determination of the maximum demand. (See General Rule III-11 (D) for definition of maximum demand.) When demand is determined by an interval meter, the maximum demand for each respective time period shall be the integrated demand occurring during the two highest contiguous fifteen minute intervals during each applicable time period.

**Terms of Payment**

Net cash on presentation of bill, subject to late payment charge in accordance with provisions of General Rule III-11 (N).

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4 Irving Place, New York, N.Y. 10003

**SERVICE CLASSIFICATION NO. 5 - Continued**

**ELECTRIC TRACTION SYSTEMS**

**Special Provisions - Continued**

- (B) The Company's service and supply of electric energy under this Service Classification will not be furnished otherwise than directly to a Customer of the Company, solely through the Company's meter or meters, upon the individual application of such Customer upon the form of application prescribed in this Rate Schedule, and will be supplied only on condition that such electric service is for the Customer's own use and will not be remetered (or submetered) or resold, assigned or otherwise disposed of to another or others, except that the Customer may redistribute or furnish electric energy for the use of tenants or occupants in the building or premises at which the Customer is supplied with electric service under this Service Classification, provided that the Customer shall not resell, make a specific charge for, or remeter (or submeter) or measure any of the electric energy so redistributed or furnished.
- (C) Where both high tension and low tension service are supplied hereunder to a Customer under a single agreement, the high tension service will be billed at the high tension rate and the low tension service will be billed at the appropriate succeeding steps of the low tension rate.
- (D) Whenever a Customer's maximum demand for a period of 12 consecutive months shall not have exceeded 10 kilowatts, the Customer will thereafter be billed under Service Classification No. 2 General - Small.
- (E) Rates and charges stated without reference to a specific month shall apply to all electric service supplied hereunder on and after the effective date hereof. Where a bill includes periods before the effective date and after the effective date, the rates and charges applicable will be prorated based on the number of days of service rendered before the effective date and on and after the effective date related to the total number of days in the billing period.
- Rates and charges referable to a specific month ("month-specific rates and charges") shall apply to all electric service supplied hereunder after the last day of the preceding month and through the last day of the named month. Where a bill includes periods before and after the first calendar day of a month, the month-specific rates and charges applicable will be prorated based on the number of days of service rendered before the first day of the month and on and after the first calendar day of the month related to the total number of days in the billing period.
- (F) The following Riders may be applied to this Service Classification: A, B, E, M, O, and P.
- (G) For general rules, regulations, terms and conditions under which service will be supplied, see General Information Section III.
- (H) For form of application under this Service Classification, see General Information Section IX.

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4 Irving Place, New York, N.Y. 10003

**SERVICE CLASSIFICATION NO. 8 - Continued**

**MULTIPLE DWELLINGS - REDISTRIBUTION**

**Rate II - Multiple Dwellings - Redistribution - Time-of-Day**

**Applicability:**

**Mandatory:** To Customers whose maximum demand in any month between January 1, 1975, and September 30, 1988, exceeded 3,000 kw (Phase 1); to Customers whose maximum demand in any month between January 1, 1980, and September 30, 1988, exceeded 1,500 kw but was equal to or less than 3,000 kw (Phase 2).

*Mandatory Time-of-Day Rates also apply to:*

- (1) any Customer whose monthly maximum demand after September 30, 1988, exceeds 1,500 kw in any annual period ending September 30;
- (2) any new Customer whose monthly maximum demand in the Company's estimate will exceed 1,500 kw during the first year of service; and
- (3) successors of Customers referred to above.

A Rate II Customer shall be transferred to and be billed under Rate I when the Customer's monthly maximum demand does not exceed 900 kw for 12 consecutive months unless the Customer elects to be billed under Rate III. A Customer with multiple meters whose demand meter registrations are added together for billing purposes pursuant to the provisions of this Rate Schedule shall be billed under Rate II if the Customer qualifies for Rate II pursuant to one or more of the criteria stated above and if at least one of the meters:

- (1) has registered 500 kw or more in any month in the 12-month period ending October 6, 1989; or
- (2) registers 500 kw or more in any month in any annual period ending September 30 after October 6, 1989.

Beginning with bills having a "from" date on or after May 1, 2006, Customers served under Mandatory Time-of-Day rates who purchase power and energy from the Company under this Rate Schedule will take service under Rider M unless they are not eligible for Rider M. Customers served under Rider M are charged for their actual energy usage priced at the applicable hourly prices, in place of the per-kilowatt-hour component of the Market Supply Charge ("MSC") and the Adjustment Factor - MSC. Customers not eligible for Rider M are billed in the same manner as Optional Time-of-Day Customers.

**Optional:** To Customers eligible to take service under Special Provision H.

Customers billed under Optional Time-of-Day Rates are subject to the per-kilowatt-hour and per-kilowatt components of the MSC and the Adjustment Factor - MSC if they purchase power and energy from the Company.

(Service Classification No. 8 - Continued on Leaf No. 264)

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4 Irving Place, New York, N.Y. 10003

**SERVICE CLASSIFICATION NO. 8 - Continued**

**MULTIPLE DWELLINGS - REDISTRIBUTION**

**Common Provisions Applicable to Rate I, Rate II, and Rate III**

**Additional Charges and Adjustments**

Customers taking service under this Rate Schedule are subject to the Market Supply Charge ("MSC") and Adjustment Factor - MSC, as described in General Information Section VII and shown on the Statement of Market Supply Charge and Monthly Adjustment Clause and on the Statement of Adjustment Factor - MSC; provided, however, that Customers taking service under Rider M are subject to charges for their actual energy usage pursuant to Rider M, in place of the per-kilowatthour component of the MSC and the Adjustment Factor - MSC. Customers taking service under this Rate Schedule and Customers taking service under the Retail Access Rate Schedule are subject to additional delivery service charges, consisting of the Monthly Adjustment Clause ("MAC"), Adjustment Factor - MAC, System Benefits Charge, Renewable Portfolio Standard Charge (effective October 2005), and other charges and adjustments, as applicable, as described in General Information Sections VII and VIII-(B) and shown on the related Statements.

**Increase in Rates and Charges**

The rates and charges under this Service Classification, including minimum charge or Minimum Monthly Charge and Additional Charges and Adjustments described above, are increased by the applicable percentage as explained in General Information Section VIII-(A) and shown on the related Statement.

**Determination of Demand**

The Company will install a demand measuring device of a type approved by the Public Service Commission for the determination of the maximum demand. (See General Rule III-11 (D) for definition of maximum demand.) When demand is determined by an interval meter, the maximum demand for each respective time period shall be the integrated demand occurring during the two highest contiguous fifteen minute intervals during each applicable time period.

**Terms of Payment**

Net cash on presentation of bill, subject to late payment charge in accordance with provisions of General Rule III-11 (N).

**Term**

One year from the date of installation of service hereunder; terminable thereafter by the Customer upon 30 days' prior notice in writing and by the Company in accordance with law or the provisions of this Rate Schedule. A Customer who elects to transfer from Rate I to Rate III will be ineligible for billing at Rate I for one year subsequent to the commencement of billing at Rate III. This limitation will apply to all Customers served under Rate III on and after April 1, 1996. A Customer who elects to discontinue being billed under Rate III will be ineligible for voluntary time-of-day rates for a period of one and one-half years from the commencement of billing at Rate I.

(Service Classification No. 8 - Continued on Leaf No. 267)

**SERVICE CLASSIFICATION NO. 8 - Continued**

**MULTIPLE DWELLINGS - REDISTRIBUTION**

**Special Provisions - Continued**

(E) Where both high tension and low tension service are supplied and billed under Rate I to a Customer under a single agreement, the high tension service will be billed at the high tension rate and the low tension service will be billed at the appropriate succeeding steps of the low tension rate. For Rate I, where the Customer is billed on the basis of coincident maximum demand, the number of kilowatts of high tension demand, for billing purposes, will be determined by applying to the coincident maximum demand the ratio that the high tension non-coincident maximum demand bears to the sum of the high tension and the low tension non-coincident maximum demands. The number of kilowatts of low tension demand, for billing purposes, shall be equal to the difference between the number of kilowatts of high tension demand, determined as herein provided, and the coincident maximum demand.

With respect to energy billed under Rate II or Rate III where both high tension and low tension service are supplied and billed to a Customer under a single agreement, the number of kilowatthours of on-peak energy for the high tension and low tension service will be determined by applying to the high tension and low tension energy the ratio that the on-peak energy for the entire account bears to the sum of the on-peak and off-peak energy for the entire account. The off-peak high tension and low tension energy will be the balance of the energy use for high tension and low tension, respectively.

(F) Where a Customer's account under Rate II or Rate III is metered with multiple meters and where the registration of some of the meters is not on a time-of-day basis, the registrations of such meters will be billed on the time-of-day characteristics indicated by the time-of-day meter; provided, however, that such Customer will not be eligible for service under Rider M. If the conjunctionally or plurally-metered Customer so elects, however, the electricity supplied through the non-time-of-day meters will be billed as one separate account under the appropriate rate, except as provided under Special Provision J.

(G) Whenever a Customer's maximum demand for a period of 12 consecutive months shall not have exceeded 5 kilowatts, the Customer will thereafter be billed under Service Classification No. 2 - General - Small.

(H) The Company will provide service under Rate II on an optional basis to a limited number of Customers who have the major portion of their heating or cooling requirements supplied by thermal storage.

*This service is provided under the following conditions:*

- (1) Approximately 20 Customers will be accepted;
- (2) Customers must otherwise be eligible for service under Rate I of this Service Classification;

(Service Classification No. 8 - Continued on Leaf No. 270)

**SERVICE CLASSIFICATION NO. 9 - Continued**

**GENERAL - LARGE**

**Rate II - General - Large - Time-of-Day**

**Applicability:**

**Mandatory:** To Customers whose maximum demand in any month between January 1, 1975, and September 30, 1988, exceeded 3,000 kw (Phase 1); to Customers whose maximum demand in any month between January 1, 1980, and September 30, 1988, exceeded 1,500 kw but was equal to or less than 3,000 kw excluding those Customers taking service under Riders I, J or L and billed under Rate II as provided below (Phase 2).

*Mandatory Time-of-Day Rates also apply to:*

- (1) any Customer, other than those Customers taking service under Riders I, J or L, whose monthly maximum demand after September 30, 1988, exceeds 1,500 kw in any annual period ending September 30;
- (2) any new Customer, other than a new Customer taking service under Riders I, J or L, whose monthly maximum demand in the Company's estimate will exceed 1,500 kw during the first year of service;
- (3) successors of Customers referred to above; and
- (4) any Customer taking service under Riders I, J or L, whose monthly maximum demand exceeds 900 kw, or in the case of a new Customer, whose monthly maximum demand in the Company's estimate will exceed 900 kw during the first year of service.

A Rate II Customer shall be transferred to and billed under Rate I when the Customer's monthly maximum demand does not exceed 900 kw for 12 consecutive months unless the Customer elects to be billed under Rate III. A Customer with multiple meters whose demand meter registrations are added together for billing purposes pursuant to the provisions of this Rate Schedule shall be billed under Rate II if the Customer qualifies for Rate II pursuant to one or more of the criteria stated above and if at least one of the meters:

- (1) has registered 500 kw or more in any month in the 12-month period ending October 6, 1989; or
- (2) registers 500 kw or more in any month in any annual period ending September 30 after October 6, 1989.

Beginning with bills having a "from" date on or after May 1, 2006, Customers served under Mandatory Time-of-Day rates who purchase power and energy from the Company under this Rate Schedule will take service under Rider M unless they are not eligible for Rider M. Customers served under Rider M are charged for their actual energy usage priced at the applicable hourly prices, in place of the per-kilowatthour component of the Market Supply Charge ("MSC") and the Adjustment Factor - MSC. Customers not eligible for Rider M are billed in the same manner as Optional Time-of-Day Customers.

**Optional:** To Customers eligible to take service under Special Provision H.

Customers billed under Optional Time-of-Day Rates are subject to the per-kilowatthour and per-kilowatt components of the MSC and the Adjustment Factor - MSC if they purchase power and energy from the Company.

(Service Classification No. 9 - Continued on Leaf No. 274)

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**SERVICE CLASSIFICATION NO. 9 - Continued**

**GENERAL - LARGE**

**Common Provisions Applicable to Rate I, Rate II, and Rate III**

**Additional Charges and Adjustments**

Customers taking service under this Rate Schedule are subject to the Market Supply Charge ("MSC") and Adjustment Factor - MSC, as described in General Information Section VII and shown on the Statement of Market Supply Charge and Monthly Adjustment Clause and on the Statement of Adjustment Factor - MSC; provided, however, that Customers taking service under Rider M are subject to charges for their actual energy usage pursuant to Rider M, in place of the per-kilowatthour component of the MSC and the Adjustment Factor - MSC. Customers taking service under this Rate Schedule and Customers taking service under the Retail Access Rate Schedule are subject to additional delivery service charges, consisting of the Monthly Adjustment Clause ("MAC"), Adjustment Factor - MAC, System Benefits Charge, Renewable Portfolio Standard Charge (effective October 2005), and other charges and adjustments, as applicable, as described in General Information Sections VII and VIII-(B) and shown on the related Statements.

**Increase in Rates and Charges**

The rates and charges under this Service Classification, including minimum charge or Minimum Monthly Charge and Additional Charges and Adjustments described above, are increased by the applicable percentage as explained in General Information Section VIII-(A) and shown on the related Statement.

**Determination of Demand**

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

**Terms of Payment**

Net cash on presentation of bill, subject to late payment charge in accordance with provisions of General Rule III-11 (N).

**Term**

One year from the date of installation of service hereunder; terminable thereafter by the Customer upon 30 days' prior notice in writing and by the Company in accordance with law or the provisions of this Rate Schedule. A Customer who elects to transfer from Rate I to Rate III will be ineligible for billing at Rate I for one year subsequent to the commencement of billing at Rate III. This limitation will apply to all Customers served under Rate III on and after April 1, 1996. A Customer who elects to discontinue being billed under Rate III will be ineligible for voluntary time-of-day rates for a period of one and one-half years from the commencement of billing at Rate I.

(Service Classification No. 9 - Continued on Leaf No. 277)

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4 Irving Place, New York, N.Y. 10003

**SERVICE CLASSIFICATION NO. 9 - Continued**

**GENERAL - LARGE**

**Special Provisions - Continued**

- (F) Where a Customer's account under Rate II or Rate III is metered with multiple meters and where the registration of some of the meters is not on a time-of-day basis, the registrations of such meters will be billed on the time-of-day characteristics indicated by the time-of-day meter; provided, however, that such Customer will not be eligible for service under Rider M. If the conjunctionally or plurally-metered Customer so elects, however, the electricity supplied through the non-time-of-day meters will be billed as one separate account under the appropriate rate, except as provided under Special Provision J.
- (G) By order of the Public Service Commission in Case 91-E-0462, electrically-heated nursing homes receiving service under Service Classification No. 12 as of April 17, 1992, shall be transferred to Service Classification No. 9 on July 1, 1992, and thereafter be billed at the applicable Service Classification No. 9 rates and charges and prorated in accordance with Special Provision I, provided however, that for the first five years following the transfer to Service Classification No. 9 the increased charges shall be phased-in as follows: in the first year, bills will be calculated at the applicable Service Classification No. 9 rates and charges less eighty percent of the difference between the applicable Service Classification No. 9 and Service Classification No. 12 rates and charges; in the second year, bills will be calculated at the applicable Service Classification No. 9 rates and charges less sixty percent of the difference between the applicable Service Classification No. 9 and Service Classification No. 12 rates and charges; in the third year, bills will be calculated at the applicable Service Classification No. 9 rates and charges less forty percent of the difference between the applicable Service Classification No. 9 and Service Classification No. 12 rates and charges; in the fourth year, bills will be calculated at the applicable Service Classification No. 9 rates and charges less twenty percent of the difference between the applicable Service Classification No. 9 and Service Classification No. 12 rates and charges; and commencing with the fifth year following the transfer to Service Classification No. 9, these accounts shall be billed at one hundred percent of the rates and charges of Service Classification No. 9.
- (H) The Company will provide service under Rate II on an optional basis to a limited number of Customers who have the major portion of their heating or cooling requirements supplied by thermal storage.

*This service is provided under the following conditions:*

- (1) Approximately 20 Customers will be accepted;
- (2) Customers must otherwise be eligible for service under Rate I of this Service Classification;

(Service Classification No. 9 - Continued on Leaf No. 281)

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**SERVICE CLASSIFICATION NO. 12 - Continued**

**MULTIPLE DWELLING SPACE HEATING**

**Rate I - Multiple Dwelling Space Heating - Continued**

**Minimum Charges:**

Where the Customer is billed for energy and demand, the minimum charge for demand for any monthly billing period shall be the charge for 5 kilowatts of demand.

Where the Customer is billed for energy only, the minimum charge for energy for any monthly billing period shall be the charge for 10 kilowatthours.

**Rate II - Multiple Dwelling Space Heating - Time-of-Day**

**Applicability:**

**Mandatory:** To Customers whose maximum demand in any month between January 1, 1975, and September 30, 1988, exceeded 3,000 kw (Phase 1); to Customers whose maximum demand in any month between January 1, 1980, and September 30, 1988, exceeded 1,500 kw but was equal to or less than 3,000 kw (Phase 2).

*Mandatory Time-of-Day Rates also apply to:*

- (1) any Customer whose monthly maximum demand after September 30, 1988, exceeds 1,500 kw in any annual period ending September 30;
- (2) any new Customer whose monthly maximum demand in the Company's estimate will exceed 1,500 kw during the first year of service; and
- (3) successors of Customers referred to above.

A Rate II Customer shall be transferred to and billed under Rate I when the Customer's monthly maximum demand does not exceed 900 kw for 12 consecutive months unless the Customer elects to be billed under Rate III. A Customer with multiple meters whose demand meter registrations are added together for billing purposes pursuant to the provisions of this Rate Schedule shall be billed under Rate II if the Customer qualifies for Rate II pursuant to one or more of the criteria stated above and if at least one of the meters:

- (1) has registered 500 kw or more in any month in the 12-month period ending October 6, 1989; or
- (2) registers 500 kw or more in any month in any annual period ending September 30 after October 6, 1989.

Beginning with bills having a "from" date on or after May 1, 2006, Customers served under Mandatory Time-of-Day rates who purchase power and energy from the Company under this Rate Schedule will take service under Rider M unless they are not eligible for Rider M. Customers served under Rider M are charged for their actual energy usage priced at the applicable hourly prices, in place of the per-kilowatthour component of the Market Supply Charge ("MSC") and the Adjustment Factor - MSC. Customers not eligible for Rider M are billed in the same manner as Optional Time-of-Day Customers.

**Optional:** To Customers eligible to take service under Special Provision H.

Customers billed under Optional Time-of-Day Rates are subject to the per-kilowatthour and per-kilowatt components of the MSC and the Adjustment Factor - MSC if they purchase power and energy from the Company.

(Service Classification No. 12 - Continued on Leaf No. 313)

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Issued by Robert N. Hoggund, Senior Vice President and  
Chief Financial Officer  
4 Irving Place, New York, N.Y. 10003

**SERVICE CLASSIFICATION NO. 12 - Continued**  
**MULTIPLE DWELLING SPACE HEATING**

**Rate III - Multiple Dwelling Space Heating - Voluntary Time-of-Day - Continued**

*Where the Customer is Billed for Energy only*

Applicability: To all Customers, other than those Customers with unmetered service, who elect to be billed at a time-of-day rate.

*Customer Charge (per month)*      \$ 19.73

**Low Tension Service**

*Energy Delivery Charge (cents per kilowatthour)*

<u>Month</u>	<u>Time Period</u>	<u>Delivery Service</u>
June, July, August, September	On-Peak	13.55
	Off-Peak	0.48
All other months	On-Peak	6.66
	Off-Peak	0.48

On-peak: Monday through Friday, 8 AM to 10 PM Eastern Daylight Time

Off-peak: All other hours of the week Eastern Daylight Time

**High Tension Service**

*Energy Delivery Charge (cents per kilowatthour)*

<u>Month</u>	<u>Time Period</u>	<u>Delivery Service</u>
June, July, August, September	On-Peak	13.55
	Off-Peak	0.48
All other months	On-Peak	6.66
	Off-Peak	0.48

On-peak: Monday through Friday, 8 AM to 10 PM Eastern Daylight Time

Off-peak: All other hours of the week Eastern Daylight Time

**Common Provisions Applicable to Rate I, Rate II, and Rate III**

**Additional Charges and Adjustments**

Customers taking service under this Rate Schedule are subject to the Market Supply Charge ("MSC") and Adjustment Factor - MSC, as described in General Information Section VII and shown on the Statement of Market Supply Charge and Monthly Adjustment Clause and on the Statement of Adjustment Factor - MSC; provided, however, that Customers taking service under Rider M are subject to charges for their actual energy usage pursuant to Rider M, in place of the per-kilowatthour component of the MSC and the Adjustment Factor - MSC. Customers taking service under this Rate Schedule and Customers taking service under the Retail Access Rate Schedule are subject to additional delivery service charges, consisting of the Monthly Adjustment Clause ("MAC"), Adjustment Factor - MAC, System Benefits Charge, Renewable Portfolio Standard Charge (effective October 2005), and other charges and adjustments, as applicable, as described in General Information Sections VII and VIII-(B) and shown on the related Statements.

(Service Classification No. 12 - Continued on Leaf No. 316)

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**SERVICE CLASSIFICATION NO. 12 - Continued**

**MULTIPLE DWELLING SPACE HEATING**

**Common Provisions Applicable to Rate I, Rate II, and Rate III - Continued**

**Increase in Rates and Charges**

The rates and charges under this Service Classification, including minimum charge or Minimum Monthly Charge and Additional Charges and Adjustments described above, are increased by the applicable percentage as explained in General Information Section VIII-(A) and shown on the related Statement.

**Determination of Demand**

Except as otherwise provided below, the Company will install a demand measuring device of a type approved by the Public Service Commission for the determination of the maximum demand:

- (1) If it is determined that the Customer is using, or might use, more than 10 kw of maximum demand; or
- (2) If the Customer's prorated consumption for a 60-day period, determined from actual readings used for billing, exceeds 6,000 kwhr for two successive periods, provided, however, that the Company may cease to meter the demand if the demand recorded in each of the previous 12 months has not exceeded 10 kw.

The Company will not install a demand measuring device and may remove a demand measuring device previously installed under this provision during any period a Customer billed for energy only takes service under Rate III prior to April 1, 1991.

Except as above provided and except as otherwise provided under General Rule III-11 (I) relating to the estimation of bills, the maximum demand for billing purposes shall be deemed to be not in excess of 10 kw.

See General Rule III-11 (D) for definition of maximum demand. When demand is determined by an interval meter, the maximum demand for each respective time period shall be the integrated demand occurring during the two highest contiguous fifteen minute intervals during each applicable time period.

**Terms of Payment**

Net cash on presentation of bill, subject to late payment charge in accordance with provisions of General Rule III-11 (N).

**Term**

One year from the date of installation of service hereunder; terminable thereafter by the Customer upon 30 days' prior notice in writing and by the Company in accordance with law or the provisions of this Rate Schedule. A Customer who elects to transfer from Rate I to Rate III will be ineligible for billing at Rate I for one year subsequent to the commencement of billing at Rate III. This limitation will apply to all Customers served under Rate III on and after April 1, 1996. A Customer who elects to discontinue being billed under Rate III will be ineligible for voluntary time-of-day rates for a period of one and one-half years from the commencement of billing at Rate I.

(Service Classification No. 12 - Continued on Leaf No. 317)

**SERVICE CLASSIFICATION NO. 12 - Continued**

**MULTIPLE DWELLING SPACE HEATING**

**Special Provisions - Continued**

- (E) Where both high tension and low tension service are supplied and billed under Rate I to a Customer under a single agreement, the high tension service will be billed at the high tension rate and the low tension service will be billed at the appropriate succeeding steps of the low tension rate. For Rate I, where the Customer is billed on the basis of coincident maximum demand, the number of kilowatts of high tension demand, for billing purposes, will be determined by applying to the coincident maximum demand the ratio that the high tension non-coincident maximum demand bears to the sum of the high tension and the low tension non-coincident maximum demands. The number of kilowatts of low tension demand, for billing purposes, shall be equal to the difference between the number of kilowatts of high tension demand, determined as herein provided, and the coincident maximum demand.

With respect to energy billed under Rate II or Rate III where both high tension and low tension service are supplied and billed under a single agreement, the number of kilowatthours of on-peak energy for the high tension and low tension service will be determined by applying to the high tension and low tension energy the ratio that the on-peak energy for the entire account bears to the sum of the on-peak and off-peak energy for the entire account. The off-peak high tension and low tension energy will be the balance of the energy use for high tension and low tension, respectively.

- (F) Where a Customer's account under Rate II or Rate III is metered with multiple meters and where the registration of some of the meters is not on a time-of-day basis, the registrations of such meters will be billed on the time-of-day characteristics indicated by the time-of-day meter; provided, however, that such Customer will not be eligible for service under Rider M. If the conjunctionally or plurally-metered Customer so elects, however, the electricity supplied through the non-time-of-day meters will be billed as one separate account under the appropriate rate.
- (G) By order of the Public Service Commission in Case 91-E-0462, no nursing home in which the entire space heating requirements are supplied by the use of electricity purchased from the Company shall be eligible to receive service under this Service Classification on or after July 1, 1992.
- (H) The Company will provide service under Rate II on an optional basis to a limited number of Customers who have the major portion of their heating or cooling requirements supplied by thermal storage.

*This service is provided under the following conditions:*

- (1) Approximately 20 Customers will be accepted;

(Service Classification No. 12 - Continued on Leaf No. 320)

**SERVICE CLASSIFICATION NO. 13**

**BULK POWER - HIGH TENSION - HOUSING DEVELOPMENTS**

**Applicable to Use of Service for**

Light, heat, and power used in an apartment house development in which the entire electrical requirements of the development are supplied by the use of electricity purchased from the Company, subject to the Special Provisions hereof.

**Character of Service**

Continuous service supplied at a single service point. Frequency and voltage specified are approximate.

High Tension Alternating Current - 60 cycles:

Three phase at 26,400 volts or such higher voltage as may be specified by the Company in the light of the magnitude or location of the load or other physical conditions.

**Rate - Bulk Power - High Tension - Housing Developments - Time-of-Day**

**Applicability:** To Customers whose maximum demand in any month between January 1, 1975, and September 30, 1988, exceeded 3,000 kw (Phase 1); to Customers whose maximum demand in any month between January 1, 1980, and September 30, 1988, exceeded 1,500 kw but was equal to or less than 3,000 kw (Phase 2).

*Time-of-Day Rates also apply to:*

- (1) any Customer whose monthly maximum demand after September 30, 1988, exceeds 1,500 kw in any annual period ending September 30;
- (2) any new Customer whose monthly maximum demand in the Company's estimate will exceed 1,500 kw during the first year of service; and
- (3) successors of Customers referred to above.

A Customer with multiple meters whose demand meter registrations are added together for billing purposes pursuant to the provisions of this Rate Schedule shall be billed hereunder if the Customer qualifies for the rate pursuant to one or more of the criteria stated above and if at least one of the meters:

- (1) has registered 500 kw or more in any month in the 12-month period ending October 6, 1989; or
- (2) registers 500 kw or more in any month in any annual period ending September 30 after October 6, 1989.

Beginning with bills having a "from" date on or after May 1, 2006, Customers who purchase power and energy from the Company under this Rate Schedule will take service under Rider M unless they are not eligible for Rider M. Customers served under Rider M are charged for their actual energy usage priced at the applicable hourly prices, in place of the per-kilowatt-hour component of the Market Supply Charge ("MSC") and the Adjustment Factor - MSC. Customers not eligible for Rider M who purchase power and energy from the Company under this Rate Schedule are subject to the per-kilowatt-hour and per-kilowatt components of the MSC and the Adjustment Factor - MSC.

(Service Classification No. 13 - Continued on Leaf No. 322)

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**SERVICE CLASSIFICATION NO. 13 - Continued**

**BULK POWER - HIGH TENSION - HOUSING DEVELOPMENTS**

**Rate - Bulk Power - High Tension - Housing Developments - Time-of-Day - Continued**

**Minimum Charge**

The minimum charge for demand for any monthly billing period shall be the charge for 8,500 kilowatts of demand during the on-peak period.

**Minimum Monthly Charge**

The Customer will be subject to the Minimum Monthly Charge, as described in General Rule III-11(U), when the Minimum Monthly Charge exceeds the monthly pure base revenue. The Contract Demand is determined each month and is equal to the Customer's highest registered demand in the most recent 18 months, or the highest registered demand on the Customer's account if the account has less than 18 months of demand history, provided, however, that if a Customer requests and receives a reduction in the Contract Demand (as explained in General Rule III-11(U)), the demand history prior to the reduction will not be considered in determining the Contract Demand for subsequent months.

**Additional Charges and Adjustments**

Customers taking service under this Rate Schedule are subject to the Market Supply Charge ("MSC") and Adjustment Factor - MSC, as described in General Information Section VII and shown on the Statement of Market Supply Charge and Monthly Adjustment Clause and on the Statement of Adjustment Factor – MSC; provided, however, that Customers taking service under Rider M are subject to charges for their actual energy usage pursuant to Rider M, in place of the per-kilowatthour component of the MSC and the Adjustment Factor – MSC. Customers taking service under this Rate Schedule and Customers taking service under the Retail Access Rate Schedule are subject to additional delivery service charges, consisting of the Monthly Adjustment Clause ("MAC"), Adjustment Factor - MAC, System Benefits Charge, Renewable Portfolio Standard Charge (effective October 2005), and other charges and adjustments, as applicable, as described in General Information Sections VII and VIII-(B) and shown on the related Statements.

**Increase in Rates and Charges**

The rates and charges under this Service Classification, including minimum charge or Minimum Monthly Charge and Additional Charges and Adjustments described above, are increased by the applicable percentage as explained in General Information Section VIII-(A) and shown on the related Statement.

**Determination of Demand**

The Company will install a demand measuring device of a type approved by the Public Service Commission for the determination of the maximum demand. (See General Rule III-11 (D) for definition of maximum demand.) When demand is determined by an interval meter, the maximum demand for each respective time period shall be the integrated demand occurring during the two highest contiguous fifteen minute intervals during each applicable time period.

**Terms of Payment**

Net cash on presentation of bill, subject to late payment charge in accordance with provisions of General Rule III-11 (N).

(Service Classification No. 13 - Continued on Leaf No. 324)

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**SERVICE CLASSIFICATION NO. 13 - Continued**

**BULK POWER - HIGH TENSION - HOUSING DEVELOPMENTS**

**Special Provisions - Continued**

(D) Where a Customer's account under this Rate is metered with multiple meters and where the registration of some of the meters is not on a time-of-day basis, the registrations of such meters will be billed on the time-of-day characteristics indicated by the time-of-day meter; provided, however, that such Customer will not be eligible for service under Rider M.

(E) Rates and charges stated without reference to a specific month shall apply to all electric service supplied hereunder on and after the effective date hereof. Where a bill includes periods before the effective date and after the effective date, the rates and charges applicable will be prorated based on the number of days of service rendered before the effective date and on and after the effective date related to the total number of days in the billing period.

Rates and charges referable to a specific month ("month-specific rates and charges") shall apply to all electric service supplied hereunder after the last day of the preceding month and through the last day of the named month. Where a bill includes periods before and after the first calendar day of a month, the month-specific rates and charges applicable will be prorated based on the number of days of service rendered before the first day of the month and on and after the first calendar day of the month related to the total number of days in the billing period.

(F) The following Riders may be applied to this Service Classification: A, G, M, O, P, U, V and W.

(G) For general rules, regulations, terms and conditions under which service will be supplied, see General Information Section III.

(H) For form of application under this Service Classification, see General Information Section IX.

(I) For information relating to individually negotiated contracts entered into pursuant to the provisions of this Service Classification, see Appendix A to this Rate Schedule.

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**TARIFF LEAVES FOR P.S.C. No. 2 – RETAIL ACCESS**

**SERVICE CLASSIFICATION NO. 14-RA - Continued**  
**STANDBY SERVICE**

**Special Provisions**

- A. Unless specified otherwise herein, service provided hereunder will be subject to the provisions of the Service Classification that would otherwise be applicable to the Customer.
- B. A Customer may segregate any portion of its total requirements at the premises so that such portion shall be served exclusively with the Company's service under another and appropriate Service Classification, except as otherwise provided under General Rule III-13(D) of the Full Service Schedule relating to segregated service. Where direct-current service was provided on a multi-metered account under this Service Classification as of April 1, 1998, the direct-current meter(s) may not thereafter be segregated for billing under an energy-only Service Classification of this Rate Schedule or any other Rate Schedule, unless expressly permitted.
- C. A Customer being billed under Standby Service rates may purchase power and energy from Con Edison. Power and energy is charged at the Market Supply Charge ("MSC") and Adjustment Factor - MSC of the Customer's Otherwise Applicable Rate in the Full Service Schedule; provided, however, that Customers served under Rider M are charged for their actual energy usage priced at the applicable hourly prices, in place of the per-kilowatt-hour component of the MSC and the Adjustment Factor - MSC. Charges for power and energy are assessed on both a per-kilowatt-hour and a per-kilowatt basis, including any minimum charge that may be applicable under Rate I of Service Classification Nos. 4, 5, 8, 9, and 12.

A Customer who would otherwise receive service under Service Classification No. 4, 5, 8, 9, or 12 will be billed for power and energy under charges applicable to Rate II of the applicable Service Classification if the Customer: (1) has a Contract Demand greater than 1500 kW; (2) has a Contract Demand greater than 900 kW and takes service under Rider J; (3) receives high tension service at 138,000 volts under this Service Classification; or (4) would receive service under Special Provision H of Service Classification No. 4, 8, 9, or 12. All other Customers who would receive service under Service Classification No. 4, 5, 8, 9, or 12 will be billed for power and energy under charges applicable to Rate I of the applicable Service Classification.

Beginning with bills having a "from" date on or after May 1, 2006, Customers who would otherwise receive service under Service Classification No. 13 or Rate II - Mandatory Time-of-Day rates of Service Classification No. 4, 5, 8, 9, or 12 must take service under Rider M if they purchase power and energy from the Company under this Special Provision unless they are not eligible for Rider M.

Where a customer takes high tension service at 138,000 volts and high tension service below 138,000 volts under a single agreement, high tension service under the Customer's otherwise applicable full-service Service Classification refers to the sum of high tension service taken at 138,00 volts and high tension service taken at voltages below 138,000 volts.

A Customer purchasing power and energy under this Special Provision will be subject to other charges and adjustments, as applicable, as described in General Information Sections VII and VIII-(B) of the Full Service Schedule, increased by the applicable percentage as explained in General Information Section VIII-(A) of the Full Service Schedule and shown on the related statement.

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**SERVICE CLASSIFICATION NO. 14-RA - Continued**  
**STANDBY SERVICE**

**Special Provisions – Continued**

**C. - Continued**

Except as provided in Special Provision K, a Customer will be assumed to have elected to purchase supply from the Company, as described in this Special Provision, unless an ESCO enrolls the Customer in the retail access program, or, in the case of a Direct Customer or a Customer who is wholesale generator, the Company receives notification from the Customer that it has a non-Company source of supply. If notified by the ESCO that it has terminated service to the Customer or by the Customer that it no longer has a non-Company source of supply, Con Edison will assume that the Customer has again elected to purchase supply from the Company.

**D.** The following types of Customers will be billed under their Otherwise Applicable Rate, instead of Standby Service rates:

- (1) Customers who have on-site generation equipment having a total nameplate rating equal to no more than 15 percent of the maximum potential demand served from all sources;
- (2) Customers who would otherwise receive service under Service Classification No. 1-RA, 2-RA, 7-RA, or the energy-only rate of Service Classification No. 12-RA, or one of the corresponding service classifications in the Full Service Schedule, if they did not have on-site generation equipment; and
- (3) Customers with a Contract Demand of less than 50 kW, provided, however, that Customers who are not eligible for service under subparagraphs (1) or (2) may elect to be billed under Standby Service rates, by providing advance written notice to the Company.

For all other purposes, Customers billed under their Otherwise Applicable Rate will receive service under this Service Classification, and the "Interconnection Charge" and "Reactive Power Demand Charge" under this Service Classification shall continue to apply.

Customers with a Contract Demand of less than 50 kW who elect billing under Standby Service rates will be billed under such rates commencing with the first full billing period for which interval metering data is available subsequent to the Company's receipt of notice. Such Customers will be ineligible for any of the rate phase-ins that may be available to Existing Customers and Customers With Designated Technologies. Customers with a Contract Demand of less than 50 kW who elect to be billed under Standby Service rates will be ineligible for billing under the Otherwise Applicable Rate for one year subsequent to commencing billing under Standby Service rates. Should a Customer elect to discontinue being billed under Standby Service rates, such Customer will be ineligible for billing under Standby Service rates for one year subsequent to commencing billing under the Otherwise Applicable Rate.

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