



April 15, 2005

Ms. Jaclyn A. Brillling
Secretary
Public Service Commission
3 Empire Plaza
Albany, New York 12223

Re: Case 04-E-0572- Proceeding on Motion of the Commission as
to the Rates, Charges, Rules and
Regulations of Consolidated Edison Company
of New York, Inc. for Electric Service

STATEMENT IN SUPPORT OF THE MOTION TO INTERVENE AND
REQUEST FOR CLARIFICATION OF KEYSpan ENERGY SERVICES,
INC.

Dear Ms. Brillling,

On behalf of Consumer Power Advocates (CPA), I offer these comments in support of the Motion to Intervene and Request for Clarification of Keyspan Energy Services, Inc. (Keyspan). CPA is a member organization of leading academic and health care institutions all of who are purchasers of large amount of energy both under Con Edison's full service tariff and through its Retail Access program, and an active Party and Signatory to the Joint Proposal in the above captioned case.

Keyspan has raised serious issue with the appropriateness of the new treatment of NYISO rebills in the tariff revisions filed as a result of this case. As members of the NYISO Management and Business Issues Committees, we are believe that most, if not all, NYISO rebills are appropriately charged as supply costs to specific LSEs. The Con Edison tariff would now, for the first time, explicitly require that all these rebills be charged to the MAC, effectively requiring Retail Access customers to subsidize those customers who have remained on full service.

This misallocation of costs creates a significant barrier to the development of a competitive retail market, and erodes the already meager savings available through Retail Access. As advisors to Retail Access buyers, we know that contracts guaranteeing a discount from full service rates have been among the most attractive

www.luthin.com
TEL 732.774.0005
FAX 732.774.0049



options available to buyers. However, since sellers are now forced to discount from the wrong price (as determined by the now-misstated MSC), the availability of this product has already been curtailed. It appears that sellers are simply unwilling to offer a contract that guarantees savings from the subsidized Con Edison price, and that contracts in place are in significant danger of being terminated.

Finally, as a Signatory to the Joint Proposal in this case, it was not our understanding or expectation that this change in tariff would occur. We are not aware of any meeting among the parties where any such change in the treatment of NYISO rebills was discussed. In this case, due process requires that the Commission reconsider this revision.

For all the above reasons, Keyspan's motion should be approved.

Respectfully submitted,

s/Catherine Luthin

Catherine Luthin
Executive Director
Consumer Power Advocates

Cc: ALJ Lynch
Electronic Service List