

PSC NO: 9 GAS

LEAF: 390.4

COMPANY: **CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.**

REVISION: 4

INITIAL EFFECTIVE DATE: 11/01/09

SUPERSEDING REVISION: 3

STAMPS:

SERVICE CLASSIFICATION NO. 20 - Continued**TRANSPORTATION RECEIPT SERVICE (TRS) - Continued****Mandatory Capacity Release Service - Continued****(D) Payment of Pipeline Charges:**

The Capacity Release Seller and/or its Agent shall pay the pipeline(s) directly for charges associated with the use of released capacity, at the Company's estimated annual Weighted Average Cost of Capacity effective November 1 of each year. If the Capacity Release Seller and/or its Agent fails to pay the pipeline(s) for any charges that result in the Company receiving less than the full credit from the pipeline to which it was otherwise entitled, upon receipt of the Company's invoice, the Capacity Release Seller and/or its Agent shall no later than five (5) business days thereafter reimburse the Company for all such amounts plus,

- (a) interest on such amounts at the rate prescribed by General Rule III. (8) (L), and
- (b) an amount in respect of Gross Receipts Taxes based upon the applicable total effective percentage increase specified on the Company's then effective Statement of Percentage Increase in Rates and Charges.

The Company may terminate the Seller's and/or its Agent's Capacity Release Service Agreement immediately (or at any time thereafter) upon receipt of notice that the Capacity Release Seller and/or its Agent has failed to pay the pipeline(s) for any of the pipeline charges described above. Such termination shall not affect the Company's right to reimbursement from the Capacity Release Seller and/or its Agent as described above.

(E) Credit Requirements:

A Capacity Release Seller and/or its Agent must satisfy the credit requirements prescribed by the FERC tariff of the pipeline(s) on which capacity will be released and provide the Company with appropriate documentation of compliance with those requirements. The Capacity Release Seller and/or its Agent shall notify the Company immediately of any change in its financial circumstances that results in non-compliance with the pipeline requirements.

(F) Indemnification and Warranty:

The Capacity Release Seller and/or its Agent shall indemnify the Company from all losses and damages resulting from the actions or inactions of the Capacity Release Seller and/or its Agent under the Capacity Release Service Agreement with the Company and the pipeline service agreement(s). The Capacity Release Seller and/or its Agent shall also warrant title to the gas transported under these pipeline service agreements.

(Service Classification No. 9 - Continued on Leaf No. 390.5)**Issued By: Robert N. Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003**

(Name of Officer, Title, Address)