

**PSC NO: 9 GAS****COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.****INITIAL EFFECTIVE DATE: 11/01/04****LEAF: 316.2****REVISION: 3****SUPERSEDING REVISION: 2****SERVICE CLASSIFICATION NO. 9 - Continued  
TRANSPORTATION SERVICE - Continued****Miscellaneous Provisions - Continued****(D) Interruptions of Service and Reserve Requirements for Interruptible and Off-Peak Firm Customers-Continued**

- (2) Power Generation Customers with inadequate alternate fuel or energy reserves who fail to interrupt gas service at any time during the first five days of interruption in any winter season will be billed for the difference between (a) 130% of the higher of a published distillate fuel index price, as determined in accordance with the Sales and Transportation Operating Procedures, or the Power Generation Gas Price, and (b) the Power Generation Gas Price. The Power Generation Gas Price is defined as the sum of the Power Generation rate excluding the Real Time Value Component and the cost of gas used in generating electricity as recognized in determining the Real Time Value Component. The above-described charge shall be applied to all gas consumed during the billing period in which there is non-compliance with the interruption and for any subsequent billing periods during which non-compliance continues. Any Power Generation Customer with inadequate alternate fuel or energy reserves or inventory as of November 1 of each year will similarly be subject to the above charge.
- (3) Interruptible or Off-Peak Firm Customers, including Contract Interruptible or Off-Peak Firm Industrial Customers, with inoperable dual-fuel facilities, including associated Customer-installed phone lines, will be entitled to a forty-eight (48) hour grace period to correct the condition, after which time they will be billed for the difference between:
- (a) 130% of the higher of the applicable alternate fuel prices, as determined in accordance with the Company's Operating Procedures, or the applicable Interruptible or Off-Peak Firm sales rate; and
  - (b) the applicable Interruptible or Off-Peak Firm sales rate.

The charge shall be applied to all gas consumed during the billing period in which there is non-compliance and for any subsequent billing periods during which such condition continues.

- (4) For each Winter Period, if an Interruptible or Off-Peak Firm Customer fails to fully interrupt its use of gas (except for any permitted use of gas for ignition purposes) for any two (2) interruption periods (including any planned interruptions) ("two-violation rule"), the Company will transfer that Customer to the otherwise applicable Firm service classification commencing with the billing month following the month in which

(Service Classification No. 9 - Continued on Leaf No. 316.3)

**Issued By: Joan S. Freilich, Executive Vice President & Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003**

(Name of Officer, Title, Address)