

PSC NO: 9 GAS

LEAF: 389

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

REVISION: 3

INITIAL EFFECTIVE DATE: October 1, 2004

SUPERSEDING REVISION: 1

STAMPS: Issued in compliance with order in Case 03-G-1671 dated September 27, 2004

SERVICE CLASSIFICATION NO. 20 - Continued**TRANSPORTATION RECEIPT SERVICE (TRS) - Continued****Operational Matters - Continued****(C) Balancing Services - Continued**

- (3) Daily Balancing Service, Monthly Balancing Service, or Daily Cashout Service – Continued

A Seller serving a Firm Service Classification No. 9 Customer, Firm Small Customer Aggregation Group, or a Firm Customer(s) in an aggregated group also comprised of Interruptible or Off-Peak Firm Customers, taking the Daily Cashout Service shall also be subject to these requirements.

- (4) Monthly Imbalance Trading Service ("MITS")

Direct Customers and Sellers serving firm, interruptible, off-peak firm, or power generation customers under Service Classification No. 9 will be permitted to trade end-of-month imbalances with other Direct Customers or Sellers at specific pipeline Citygate Receipt Points, as explained in the Company's Sales and Transportation Operating Procedures Manual. This trading will be allowed among firm, interruptible, and off-peak firm customers and will be limited to imbalances incurred during the same calendar month. Sellers and Direct Customers electing to trade imbalances will take the full risk of their trades and imbalances not traded will be subject to imbalance charges and cashout credits and surcharges, as explained in Service Classification No. 9 and this Service Classification. MITS will be available through the period ending September 30, 2005.

- (5) Daily Imbalance Trading Service ("DITS")

Direct Customers and Sellers serving interruptible or off-peak firm customers, under Service Classification No. 9, will be permitted to trade daily imbalances with other Direct Customers or Sellers at specific pipeline Citygate Receipt Points, as explained in the Company's Sales and Transportation Operating Procedures ("Operating Procedures"). This trading will be allowed among interruptible and off-peak firm customers and will be limited to imbalances incurred during the same gas day, as defined in the Operating Procedures. Sellers and Direct Customers electing to trade imbalances will take the full risk of their trades and imbalances not traded will be subject to imbalance charges and cashout credits and surcharges, as explained in Service Classification No. 9 and this Service Classification. DITS will be available through the period ending September 30, 2005.

(Service Classification No. 20 - Continued on Leaf No. 389.1)**Issued By: Joan S. Freilich, Executive Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003**

(Name of Officer, Title, Address)