

PSC NO: 9 GAS
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
INITIAL EFFECTIVE DATE: November 1, 2004

LEAF: 297
REVISION: 1
SUPERSEDING REVISION: 0

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

SERVICE CLASSIFICATION No. 9 - Continued

TRANSPORTATION SERVICE - Continued

Rates - Continued

(H) Balancing Services and Charges for Interruptible and Off-Peak Firm Customers - Continued

(2) Monthly Balancing Service - Continued

(c) Monthly Cashout Credits and Charges:

Monthly Cashout Credits and Charges shall be calculated for the monthly billing period, as follows:

Monthly Cashout Credit on the Net Surplus Imbalance:

The Customer shall receive a Monthly Cashout Credit on the amount by which the aggregate Daily Delivery Quantities are less than the aggregate Daily Transportation Quantities for the billing period ("Net Surplus Imbalance"). A Net Surplus Imbalance shall be considered gas purchased by the Company from the Customer.

The Monthly Cashout Credit on the Net Surplus Imbalance Quantity shall be equal to the product of:

- (i) the wellhead price for gas (WP) plus variable transportation costs ("VTC"), and
- (ii) the applicable percentage, as shown below.

The wellhead price used in calculating a Net Surplus Imbalance shall be the simple average of the daily midpoint prices of the Transco Zone 3 (Station 65) Production Area index as reported in the publication, "Gas Daily", for the month in which the imbalances occurred.

(Service Classification No. 9 - Continued on Leaf No. 298)

Issued By: ~~Joan S. Freilich, Executive Vice President & Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003~~
(Name of Officer, Title, Address)