

..DID: 15592**..TXT: PSC NO: 9 GAS****LEAF: 261.1****COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 3****INITIAL EFFECTIVE DATE: 06/28/01 SUPERSEDING REVISION: 1****STAMPS:****Cancelled****Effective date postponed to 08/01/01. See Supplement No. 12****RECEIVED: 05/21/01 STATUS: Cancelled EFFECTIVE: 08/01/01****SERVICE CLASSIFICATION NO. 9 - Continued - Continued****Transportation Service - Continued****Definitions - Continued**

- (16A) A **Direct Customer** is a transportation Customer with annual requirements in excess of 35,000 therms per year who acts on its own behalf to purchase and arrange to bring natural gas to Con Edison's Citygate for its own consumption and not for resale. A Direct Customer is not subject to Commission oversight with respect to eligibility but must subscribe to Con Edison's SC 20 service and comply with the requirements set forth in the Operating Procedures. A Direct Customer may aggregate and schedule load for itself and other Direct Customers but each Direct Customer would continue to be responsible for meeting balancing and other requirements placed on Direct Customers. Except where the context indicates otherwise, the terms "Seller" and "Marketer" includes Direct Customers.
- (16B) **Billing Agency**, if permitted by the Company on and after June 1, 1999, means a legal arrangement between a customer and a Marketer ("**Billing Agency Agreement**") in which the Customer authorizes a Marketer to act as "**Billing Agent**" to: receive the customer's bills from Con Edison; consolidate those bills with the Marketer's charges; and rebill the entire amount to the customer in a single bill format; and unless a lockbox arrangement is used, receive payments from the customer and remit payment to Con Edison for its services. A Marketer offering Billing Agency services may perform those services itself or obtain a third party to perform the services, but in either case, the Marketer is considered to be the Customer's Billing Agent. Customers may also individually establish arrangements with third parties to perform similar services on their behalf.

A Marketer acting as Billing Agent must agree to:

- (a) make payment of Con Edison charges for all its Billing Agent accounts within 18 calendar days after the cycle reading date, whether or not payment is received from the Customer ("prepayment option"); or
- (b) where a lockbox arrangement is used, direct all customer payments to a lockbox and if it receives any payments intended for the lockbox, it must promptly forward all such payments to the lockbox for processing. Marketers shall remit customer payments within 25 days of the transmittal of billing information to the Marketer.

Con Edison may terminate its Billing Agency program at any time on reasonable notice.

(Service Classification No. 9 - Continued on Leaf No. 262.0)

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