

**..DID: 15574****..TXT: PSC NO: 9 GAS****LEAF: 307****COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 3****INITIAL EFFECTIVE DATE: 06/28/01 SUPERSEDING REVISION: 2****STAMPS:****Cancelled by 4 Rev. Leaf No. 307 Effective 08/01/2001****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****TRANSPORTATION SERVICE - Continued****Capacity Release Service**

A Firm Customer may elect to participate in Con Edison's Capacity Release Service, subject to the terms and conditions in this Tariff and the Company's Sales and Transportation Operating Procedures Manual.

**(A) Availability of Released Capacity:**

A Firm Customer must choose a Capacity Release Seller to act on its behalf and execute an Agency Agreement with that Seller. Following execution of that Agency Agreement, a Capacity Release Seller may elect to obtain a portion of the Company's available interstate pipeline capacity to serve that Firm Customer for a 12- 24- or 36-month period commencing November 1, 2001. A Capacity Release Seller must execute a Capacity Release Service Agreement, as explained in subsection (F) below. Deadlines for making a binding commitment and for executing a Capacity Release Service Agreement are set forth in the Company's Sales and Transportation Operating Procedures Manual.

A Capacity Release Seller may obtain Capacity Release Service as of November 1, 2001, for either the sum of the Maximum Daily quantities ("MDQs") of all its Firm Transportation Customers ("total MDQs") or for less than the sum of the MDQs ("partial MDQs") of all its Firm Transportation Customers. If a Seller does not participate in Capacity Release Service as of November 1, 2001, or if the total MDQs for a Capacity Release Seller increases between November 1, 2001 and October 31, 2004, the Company's obligation to provide Capacity Release Service for the additional MDQs will be limited to:

- (i) the capacity requirements of new or converting customers who become Firm Transportation Customers during the period that the Capacity Release Seller is utilizing Capacity Release Service; and
- (ii) the capacity requirements of existing Firm Transportation Customers that elect Capacity Release Service and come to a Seller from another Capacity Release Seller during the period that the Seller is utilizing Capacity Release Service.

For an existing Firm Transportation Customer, such additional capacity will be provided to the Capacity Release Seller for the balance of the period of the former Seller's Capacity Release Service commitment. For a new or converting Firm Transportation Customer, such additional capacity will be provided for the balance of the period ending October 31, 2004 or for a shorter period, but not for less than 12 months.

The Company may release additional capacity to other Sellers or other persons if, in its sole judgement, the Company determines that it has capacity available for release.

After November 1, 2001 and until October 31, 2004, if a Customer does not elect Capacity Release Service when such Customer first converts to firm transportation service, the Company will have no obligation to provide Capacity Release Service to that Customer at any future date. In addition, once a Seller's Capacity Release Service Agreement expires, the Company will have no obligation to continue to provide Capacity Release Service for the load previously served under such Agreement.

(Service Classification No. 9 - Continued on Leaf No. 308)

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

(Name of Officer, Title, Address)