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..TXT: PSC NO: 9 GAS LEAF: 311
COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 0
INITIAL EFFECTIVE DATE: 03/01/99 SUPERSEDING REVISION:
STAMPS:
Cancelled by 1 Rev. Leaf No. 311 Effective 08/01/2001
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SERVICE CLASSIFICATION NO. 9 - Continued

TRANSPORTATION SERVICE - Continued

Capacity Release Service - Continued

(B) Capacity Release Service - Continued

(5) Payment of Pipeline Charges:

The Capacity Release Customer shall pay the pipeline(s) directly for all charges associated with the use of the released capacity, including (without limitation) demand charges, commodity charges, taxes, surcharges, fuel allowances, imbalance and overrun charges, and penalties.

The Company may require the Capacity Release Customer to provide reasonable financial guarantees to assure its payment of the amounts due the pipeline(s) for the capacity release. If a Capacity Release Customer or a Replacement Capacity Release Customer fails to pay the pipeline for any charges resulting in the Company receiving less than its full credit to its pipeline demand charges, the Company may, in addition to any other rights it has, draw on such financial assurances for reimbursement and/or seek reimbursement from the Capacity Release Customer and/or Replacement Capacity Release Customer. The reimbursement shall include:

- (a) interest on the unpaid pipeline charges at the rate prescribed by General Rule III. (8) (L), and
- (b) an amount in respect of Gross Receipts Taxes based upon the applicable total effective percentage increase specified on the Company's then effective Statement of Percentage Increase in Rates and Charges.

The Company may terminate the capacity release transaction for nonpayment of pipeline charges or the Capacity Release Service Charge by the Capacity Release Customer or Replacement Capacity Release Customer.

(Service Classification No. 9 - Continued on Leaf No. 312.0)

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(Name of Officer, Title, Address)