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COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 3

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SERVICE CLASSIFICATION NO. 9 - Continued TRANSPORTATION SERVICE - Continued

Miscellaneous Provisions - Continued

(D) Interruptions of Service and Reserve Requirements for Interruptible and Off-Peak Firm Customers-Continued

A Customer may meet the reserve requirement through a combination of on-site storage capacity and by providing satisfactory proof to the Company that a relationship exists with the alternate fuel or energy provider to supply the Customer with the additional amount required to meet the Customer's reserve requirement. Interruptible Temperature Control Customers whose alternate fuel is distillate fuel (i.e., kerosene, diesel fuel, or No. 2 oil) or who use gas for the types of uses described in the Definition for a Human Needs Customer receiving Firm Transportation Service ("Human Needs purposes") must have a seven-day reserve. Interruptible Notification and Off-Peak Firm Customers whose alternate fuel is distillate fuel or who use gas for Human Needs purposes must have a ten-day reserve. A Power Generation Customer or Contract Interruptible or Off-Peak Firm Industrial Customer whose alternate fuel is distillate fuel must have a five-day reserve. Other Interruptible, Off-Peak Firm and Power Generation Customers must maintain reserve levels acceptable to the Company. A new Interruptible or Off-Peak Firm Customer with alternate fuel (as opposed to alternate energy) capability, commencing service under this Service Classification on and after November 1, 2001, must have, as part of its applicable reserve requirement, three days or more of on-site inventory of its alternate fuel, based upon the Customer's peak winter period requirements, as more specifically provided in the Company's Sales and Transportation Operating Procedures Manual. Customers that fail to conform to the above stated reserve requirements, or who have inoperable dual-fuel equipment, will be subject to the following charges:

(1) Interruptible or Off-Peak Firm Customers, including Contract Interruptible or Off-Peak Firm Industrial Customers, with inadequate alternate fuel or energy reserves who fail to interrupt gas service at any time during the first five, seven or ten days of interruption in any winter season, as applicable, will be billed for the difference between (a) 130% of the higher of the applicable alternate fuel prices, as determined in accordance with the Company's Sales and Transportation Operating Procedures, or the applicable Interruptible or Off-Peak Firm sales rate, and (b) the applicable Interruptible or Off-Peak Firm sales rate. The charge shall be applied to all gas consumed during the billing period in which there is noncompliance with the interruption and for any subsequent billing periods during which non-compliance continues. Any Interruptible or Off-Peak Firm Customer with inadequate alternate fuel or energy reserves or inventory as of November 1 of each year will similarly be subject to the above charges.

(Service Classification No. 9 - Continued on Leaf No. 316.2)

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