

PSC NO: 9 GAS**COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.****INITIAL EFFECTIVE DATE: 04/01/18****STAMPS:****LEAF: 386.2.3****REVISION: 0****SUPERSEDING REVISION:****SERVICE CLASSIFICATION NO. 20 - Continued****TRANSPORTATION RECEIPT SERVICE (TRS) – Continued****Operational Matters - Continued****(C) Balancing Services – Continued****(1) Daily Delivery Service - Continued****b) Tier 2(B) –Physical Storage****Recalls of Tier 2(B) - Physical Storage and Associated Pipeline Transportation Capacity:**

The Company will recall a Marketer's and/or its Agent's Tier 2(B) capacity if:

- (i) the Marketer and/or its Agent fails to comply with the terms and conditions of Con Edison's Gas Tariff, the GTOP, or the applicable storage field or interstate pipeline tariffs governing the released capacity; or
- (ii) a Marketer and/or its Agent loses a significant number of Customers. In that circumstance, the Company will reduce or recall completely the Marketer's and/or its Agent's Tier 2(A) and Tier 2(B) storage and associated pipeline capacity as described in the Company's GTOP. Any such adjustment will be made first to the Marketer's and/or its Agent's Tier 2(A) Virtual Storage and then to the Marketer's Tier 2(B) Physical Storage. Any residual gas left in physical storage by the Marketer will be purchased at a discount under Balancing Services (C)(1)(b).

Payment of Storage Field Charges:

As noted above, the Marketer and/or its Agent will pay directly to the storage field operators the charges associated with the use of its released storage field and transportation capacity under the Tier 2(B) Physical Storage pilot program. If the Marketer and/or its Agent fails to pay the operator for any charges and the Company then receives less than the Company's entitled credit upon receipt of a storage operator's invoice, the Marketer and/or its Agent will have five (5) business days to reimburse the Company for all such shortfall amounts plus interest on such amounts at the rate prescribed by General Rule III. (8) (L) of the Company's Tariff.

The Company at its sole discretion may remove a Marketer and/or its Agent from the Tier 2(B) Physical Storage pilot program.

(Service Classification No. 20 - Continued on Leaf No. 386.3)**Issued By: Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003****(Name of Officer, Title, Address)**