

**PSC NO: 9 GAS****COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.****INITIAL EFFECTIVE DATE: 02/28/16****STAMPS:**

LEAF: 300.1

REVISION: 2

SUPERSEDING REVISION: 1

**SERVICE CLASSIFICATION No. 9 - Continued****TRANSPORTATION SERVICE - Continued****Rates - Continued****(I) Balancing Services and Charges for CNG, Bypass and Power Generation Customers - Continued****(2) Balancing Services and Charges for Power Generation Transportation Customers - Continued**

The VBC is a per therm charge and is determined based on the allocated costs of assets used to balance Power Generation customers taking service pursuant to the tariff. By November 1 of each year, the Company will calculate the demand charges associated with its Storage and Firm Transportation contracts. A unit demand cost for the 2% balancing band will be calculated based on the annual demand cost of the Storage and FT deliverability dollars per dekatherm. This unit cost will then be applied as a Variable Balancing Charge to all generator volumes subject to the tariff service. This cost will be the ratio of dollars associated with Generator contribution divided by prior calendar year total usage of the generators.

**Monthly Cashout Credits and Charges:**

Monthly Cashout Credits and Charges shall be calculated for the monthly billing period.

**Monthly Cashout Credit on the Net Surplus Imbalance:**

The Customer shall receive a Monthly Cashout Credit on the amount by which the aggregate Daily Delivery Quantities are less than the aggregate Daily Transportation Quantities ("Net Surplus Imbalance") for those days in which this difference is no more than 2%. A Net Surplus Imbalance shall be considered gas purchased by the Company from the Customer. The Monthly Cashout Credit on the Net Surplus Imbalance Quantity shall be equal to the lower of the average of the following first-of-month low indices or the average of the City-gate daily mid-point indices for Transco Zone 6-NY, Texas Eastern M-3 and Iroquois Zone 2 as published in Platt's Inside FERC's Gas Market Report and Gas Daily.

**Daily Cashout Credit on the Net Surplus Imbalance:**

The Customer shall receive a Daily Cashout Credit on the amount by which the Daily Delivery Quantity is less than the Daily Transportation Quantity ("Net Surplus Imbalance") for those days in which this difference exceeds 2%. The Daily Cashout Credit on the Net Surplus Imbalance shall be equal to the product of the cost of gas and the applicable percentage, as shown below.

**(Service Classification No. 9 - Continued on Leaf No. 300.2)****Issued By: Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003****(Name of Officer, Title, Address)**