

PSC NO: 9 GAS  
COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
INITIAL EFFECTIVE DATE: 11/01/16  
STAMPS:

LEAF: 386.3  
REVISION: 0  
SUPERSEDING REVISION:

## Operational Matters - Continued

### (C) Balancing Services – Continued

#### (1) Daily Delivery Service –Continued

##### Operational Limitations

For operational limitations refer to the Company's GTOP Manual.

Marketers will be subject to additional charges under the following circumstances;

- a) **Overuse of Peaking:** When on a daily basis a Marketer uses more than its Tier 3 Peaking allocation, the Marketer shall be charged a premium above the daily spot price for the commodity in accordance with the Company's GTOP Manual.
- b) **March storage capacity limit:** If a Marketer does not have its Tier 2 - Managed Supply (Storage) inventory at or below 35% of its capacity storage allocation by March 31 of each year, the Marketer will be surcharged for the inventory overage level in accordance with the Company's GTOP Manual.

##### Security Prepayment Requirement and POR Netting Requirement

Marketers who are not participating in the Company's POR program will be required to prepay the demand and commodity components of Tier 2 - Managed Supply (Storage) and Tier 3 - Peaking. Marketer prepayment must be made to the Company via wire transfer or ACH payment no later than three (3) business days prior to the last day of the month preceding the month in which the Marketer will be charged for the cost of Tier 2 - Managed Supply (Storage) and Tier 3 - Peaking. The prepayment for the demand component of Tiers 2 and 3 will be calculated by taking the product of 0.9 times the estimated demand price of the Tier 2 - Managed Supply (Storage) and the Tier 3 - Peaking for that month. The prepayment for the commodity component of Tiers 2 and 3 will be calculated by taking the total amount of gas in storage allocated to the Marketer, dividing that amount by 5 and then multiplying the resulting amount by the most recent 1<sup>st</sup> of the month weighted average cost of gas in storage. The prepayment amount will be trued-up when the actual costs of the Managed Supply (Storage) and Peaking are available and any adjustment will be made in the Marketer's succeeding billing period.

Marketers who are participating in the Company's POR program and who fail to make timely payments to the Company of their Tier 2 and Tier 3 demand and commodity components will have those payment amounts netted by the Company against the monthly POR payment that the Company pays to a Marketer. Notwithstanding this POR netting by the Company, if the Marketer owes the Company any additional amounts, the Company retains all of its rights to collect such additional owed amounts.

(Service Classification No. 20 - Continued on Leaf No. 387)

Issued By: Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, N. Y. 10003  
(Name of Officer, Title, Address)