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Effective Date: 11/01/2016

LEAF: 386.1 PSC NO: 9 GAS COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. **REVISION: 1**

INITIAL EFFECTIVE DATE: 11/01/16 SUPERSEDING REVISION: 0

STAMPS:

SERVICE CLASSIFICATION NO. 20 - Continued

TRANSPORTATION RECEIPT SERVICE (TRS) – Continued

Operational Matters - Continued

(C) Balancing Services – Continued

(1) Daily Delivery Service -Continued

Tier 2 – Managed Supply (Storage) – Continued

a) Quantity - continued

If the day-ahead temperature is forecast to be below 46 degrees Fahrenheit on any day in the months of April and October Marketers may be allowed to utilize any remaining storage from their allocated share during these days in accordance with the Company's GTOP.

When the temperature is less than or equal to 25 Degrees Fahrenheit, Marketers must utilize 100% of their Tier 1 - Mandatory Capacity Release allocation for firm transportation before utilizing any Tier 2 - Managed Supply (Storage) allocation. When the temperature is greater than 25 but less than 30 Degrees Fahrenheit, Marketers must utilize 85% of their Tier 1 allocation before utilizing any Tier 2 allocation. If a Marketer violates this rule two (2) times during a heating season, the Marketer will have its storage allocation lowered for the remainder of the heating season in accordance with the Company's GTOP and will have to balance its daily loads using Tier 3 -Peaking.

b) Monthly Charges

Tier 2 Demand Price

The Tier 2 Demand Price, stated in dollars per dekatherm, is a capacity price determined by (1) taking the annual fixed costs of the Company's total storage contracts plus the Company's fixed transportation pipeline contracts associated with storage and then dividing that amount by (2) the Company's total storage capacity.

Marketers will pay each month of the Winter Period (November through March) a Tier 2 Demand Charge computed by multiplying the Tier 2 Demand Price times the Marketer's Tier 2 storage capacity and then dividing that resulting amount by five (5).

Tier 2 Commodity Price

The Tier 2 Commodity Price, stated in dollars per dekatherm, is determined by adding: (1) the Company's weighted average storage inventory price as of the first of the month plus (2) the variable unitized costs to withdraw and deliver storage inventory to the Company's city gate.

(Service Classification No. 20 - Continued on Leaf No. 386.2)

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