

PSC NO: 9 GAS
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
INITIAL EFFECTIVE DATE: 08/26/04

LEAF: 307
REVISION: 5
SUPERSEDING REVISION: 4

SERVICE CLASSIFICATION NO. 9 - Continued

TRANSPORTATION SERVICE - Continued

Capacity Release Service

A Firm Customer may elect to participate in Con Edison's Capacity Release Service, subject to the terms and conditions in this Tariff and the Company's Sales and Transportation Operating Procedures Manual.

(A) Availability of Released Capacity:

A Firm Customer must choose a Capacity Release Seller to act on its behalf and execute an Agency Agreement with that Seller. Following execution of that Agency Agreement, a Capacity Release Seller may elect to obtain a portion of the Company's available interstate pipeline capacity to serve that Firm Customer for a 12- 24- or 36-month period commencing November 1, 2001. A Capacity Release Seller must execute a Capacity Release Service Agreement, as explained in subsection (F) below. Deadlines for making a binding commitment and for executing a Capacity Release Service Agreement are set forth in the Company's Sales and Transportation Operating Procedures Manual.

A Capacity Release Seller may obtain Capacity Release Service as of November 1, 2001, for either the sum of the Maximum Daily quantities ("MDQs") of all its Firm Transportation Customers ("total MDQs") or for less than the sum of the MDQs ("partial MDQs") of all its Firm Transportation Customers. If a Seller does not participate in Capacity Release Service as of November 1, 2001, or if the total MDQs for a Capacity Release Seller increase between November 1, 2001 and October 31, 2004, the Company's obligation to provide Capacity Release Service for the additional MDQs will be limited to:

- (i) the capacity requirements of new or converting customers that elect Capacity Release Service upon first becoming a Firm Transportation Customer; and
- (ii) the capacity requirements of existing Firm Transportation Customers that elect Capacity Release Service upon switching from a Seller to a Capacity Release Seller, provided that the Company has or is able to obtain capacity needed to provide such additional Capacity Release Service.

For an existing Firm Transportation Customer or a new or converting Firm Transportation Customer, such additional capacity will be provided for the balance of the period ending October 31, 2004 or for a shorter period, but not for less than 12 months.

The Company may release additional capacity to other Sellers or other persons if, in its sole judgement, the Company determines that it has capacity available for release.

After November 1, 2001 and until October 31, 2004, if a Customer does not elect Capacity Release Service when such Customer first converts to firm transportation service, the Company will have no obligation to provide Capacity Release Service to that Customer at any future date, except as noted in (ii) above. In addition, once a Seller's Capacity Release Service Agreement expires, the Company will have no obligation to continue to provide Capacity Release Service for the load previously served under such Agreement, except as noted in (ii) above.

(Service Classification No. 9 - Continued on Leaf No. 307.1)

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