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..TXT: PSC NO: 9 GAS LEAF: 303
COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 5
INITIAL EFFECTIVE DATE: 05/20/02 SUPERSEDING REVISION: 4
STAMPS: Issued in compliance with Order in C. No. 00-G-1456 dated April 22, 20
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SERVICE CLASSIFICATION No. 9 - Continued

TRANSPORTATION SERVICE - Continued

Rates - Continued

(J) Other Rates, Charges and Adjustments - Continued

(5) Capacity Release Service Adjustment:

A Customer electing Capacity Release Service is subject to a Capacity Release Service Adjustment to its SC No. 9 transportation rate to the extent that the maximum reservation rate on the pipelines on which capacity is released varies from the Company's weighted average cost of capacity which includes the cost of capacity associated with bundled Citygate purchases ("WACOC"). If the maximum reservation rate is higher than the WACOC, the Capacity Release Seller will receive a credit on the Customer's behalf equal to the difference multiplied by the monthly quantity of released capacity. If the maximum reservation rate is less than the WACOC, the Capacity Release Seller shall pay a charge on the Customer's behalf equal to the difference multiplied by the monthly quantity of released capacity. The Company's WACOC shall be updated periodically to reflect the Company's current cost of firm pipeline capacity. The WACOC will be adjusted to reduce TransCanada demand charges to the extent necessary to result in comparability between Canadian and domestic commodity costs. The WACOC, as adjusted, shall be set forth on the Statement of Rate for SC No. 9.

(6) Pipeline Transition Cost Charge:

All Customers shall pay a Transition Cost Charge per therm to recover Order No. 636 transition costs, except a Customer(s) who provides the Company suitable documentation demonstrating that it is paying Order No. 636 transition costs directly to a pipeline for firm pipeline transportation.

(Service Classification No. 9 - Continued on Leaf No. 303.1)

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