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**PSC NO: 9 GAS**LEAF: 386.3

COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. REVISION: 6

INITIAL EFFECTIVE DATE: 09/01/19 SUPERSEDING REVISION: 3

Issued in Compliance with Order in Case 17-G-0606 dated August 12, 2019

# SERVICE CLASSIFICATION NO. 20 - Continued TRANSPORTATION RECEIPT SERVICE (TRS) - Continued

### **Operational Matters - Continued**

## (C) Balancing Services – Continued

# (1) Daily Delivery Service – Continued

## Tier 3 – Peaking

The Company will provide Tier 3 - Peaking (including LNG, trucked and stored compressed natural gas ("CNG") and trucked and stored liquefied natural gas ("LNG")) to Marketers from November 1<sup>st</sup> to March 31<sup>st</sup> when the estimated consumption of a Marketer exceeds the Marketer's Baseload Service Quantity, Tier 1 Capacity Release Volume and available Tier 2 - Managed Supply (Storage) withdrawal volume.

#### Tier 3 Demand Price

The Tier 3 Demand Price, stated in dollars per dekatherm, is a capacity price determined by dividing the annual fixed costs of the Company's total peaking contracts by the Company's total peaking capacity. The Demand Price will be adjusted to include fixed charges for trucked and stored CNG, fixed charges for trucked and stored LNG, and suppliers' site development costs related to used and useful (i.e., not abandoned) CNG and LNG projects (including permitting costs; feasibility, engineering and/or operational studies costs; and property acquisition costs).

Marketers who receive Tier 3 - Peaking will pay to the Company, each month of the Winter Period (November through March), a Tier 3 Demand Charge computed by multiplying the Tier 3 Demand Price times the Marketer's Tier 3 peaking capacity, and then dividing that resulting amount by five (5).

## Tier 3 Commodity Price

The Company will determine the Tier 3 Commodity Price, stated in dollars per dekatherm, each day by weighting the following commodity prices:

a) Pipeline Indices: the following pipeline indices obtained from Platt's Gas Daily Price Guide, (Daily Price Survey) for date of flow will be weighted using the percentages set forth in the Company's GTOP:

> Transco – Transco Zone 6 NY mid-point price Texas Eastern – Texas Eastern M3 mid-point price Iroquois – Iroquois Zone 2 mid-point price

- b) Company's LNG Inventory Price: when LNG is called upon by the Company to meet peak demand the Tier 3 commodity price will include the Company's LNG Inventory Price. The percentages set forth in the Company's GTOP will be modified to reflect the use of LNG.
- c) Trucked and stored LNG and trucked and stored CNG Price: when trucked and stored LNG and trucked and stored CNG are called upon by the Company to meet peak demand, the Tier 3 commodity price will include the price of the associated supply. The percentages set forth in the Company's GTOP will be modified to reflect the use of trucked and stored LNG and trucked and stored CNG.

Each month that Tier 3 is utilized, a Marketer will pay a Tier 3 Peaking Charge computed by multiplying the Tier 3 Commodity Price above times the Tier 3 volumes that the Marketer delivers to the Company's city gate.

(Service Classification No. 20 - Continued on Leaf No. 386.4) Issued By: <u>Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003</u>