

PSC NO: 9 GAS**COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.****INITIAL EFFECTIVE DATE: 12/01/19****LEAF: 386.2.2****REVISION: 3****SUPERSEDING REVISION: 2****SERVICE CLASSIFICATION NO. 20 - Continued****TRANSPORTATION RECEIPT SERVICE (TRS) – Continued****Operational Matters - Continued****(C) Balancing Services – Continued****(1) Daily Delivery Service – Continued****b) Tier 2(B) –Physical Storage**
Monthly Charges – continued**Commodity**

Marketers and/or their Agents will be responsible for procuring their own natural gas commodity from third parties and scheduling the commodity injections and withdrawals with the storage field operators and pipeline companies. Marketers and/or their Agents will also be responsible for paying the storage field operators for injections and withdrawals services. The Company will not release commodity in conjunction with the storage field and associated transportation releases.

Operational Requirements

The Tier 2(B) – Physical Storage has the following operational requirements:

- a) Participation: A Marketer and/or its Agent interested in participating in the Tier 2(B) Physical Storage program must notify the Company by February 1 of each year of its election to do so. A participating Marketer and/or its Agent will receive its allocation of Tier 2(B) storage field capacity on April 1 of each year based upon its customers' requirements;
- b) Empty Storage Fields: A participating Marketer and/or its Agent who elects not to participate in the Tier 2(B) – Physical Storage program for the following year must return its allocated storage field capacity empty by March 31;
- c) Exception to Empty Storage Fields: A participating Marketer and/or its Agent who elects to continue to participate in Tier 2(B) must also return its allocated storage field capacity empty on March 31 with one exception -- the Marketer and/or its Agent will be allowed to keep as much commodity in each of its allocated storage fields for the following program year as does not exceed its new April 1 allocated capacity release for each field minus two (2) dekatherms;
- d) Company's Purchase of Remaining Gas Commodity: If the participating Marketer and/or its Agent fails to return its released storage capacity empty on March 31 (as required by (b) or (c) above) or has more commodity in any of its allocated fields on that date than it was permitted to have by the exception in (c) above, then, unless the Marketer and/or its Agent has found a buyer for all of the remaining gas above the amounts permitted under sections (b) and (c) above, as applicable, who will take possession of it by March 31, the Company will purchase all of the Marketer's and/or its Agent's gas that remains in storage above the permitted amount under sections (b) and (c) above, as applicable, as of 5:00 p.m. on March 31 at the lower of the Company's weighted average cost of inventory as of March 1st (excluding the cost of LNG, CNG and propane) minus \$0.50/Dt or the FERC first of month market price of gas for March at the storage field listed in the GTOP. (Any residual gas purchases from Marketers and/or their Agents will be included in the gas inventory of the joint Companies as described in General Information Section VII (A) 1 (b));

(Service Classification No. 20 - Continued on Leaf No. 386.2.3)

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