PSC NO: 9 GAS COMPANY: CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. INITIAL EFFECTIVE DATE: 04/01/18 STAMPS:

LEAF: 386.2.2 REVISION: 0 SUPERSEDING REVISION:

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 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. If the Marketer and/or its Agent has any residual commodity left in storage at the end of the 12- month period and cannot find a third party buyer for the residual commodity, the Company will purchase the gas at the <u>lower</u> 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/d <u>or</u> 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 will be included in the gas inventory of the joint Companies as described in General Information Section VII (A) 1 (b).

At the end of the 12-month Tier 2(B) – Physical Storage pilot program, the Company will evaluate the program in order to determine whether to continue it on a permanent basis.

Operational Requirements

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

- a) Empty storage field: Marketers and/or their Agents will receive their allotment of Tier 2(B) Physical Storage capacity empty on April 1 and must return the storage capacity empty by March 31;
- **b**) Minimum withdrawals: Minimum storage field withdrawals will be based upon operational limitations as described in the GTOP; and
- c) Operation limitations: Any storage or citygate operational limitations that the Company is subject to will also be proportionately applied to the Marketer and/or its Agent.

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

Issued By: <u>Robert Hoglund, Senior Vice President & Chief Financial Officer, 4 Irving Place, New York, NY 10003</u> (Name of Officer, Title, Address)