

PSC NO. 4 GAS LEAF: 80.3.2
ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 9
INITIAL EFFECTIVE DATE: February 25, 2018 SUPERSEDING REVISION: 8

GENERAL INFORMATION**12. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF GAS (Cont'd.)****12.2 MONTHLY GAS ADJUSTMENT (Cont'd.)****(I) Balancing Charge (applicable to Service Classification Nos. 1, 2 and 6) (Cont'd)**

The Company's share of balancing costs shall be divided by the forecast quantities of gas to be taken for delivery to the Company's firm sales and firm transportation customers for the 12 calendar months ending the following August 31. The resulting balancing charge shall be adjusted by an uncollectibles percentage ("UC Percentage") as follows:

Balancing Charge = Balancing Cost / 12 Month Ccf / (1-UC Percentage).

The UC Percentage shall be reset annually effective January 1, based on the Company's actual uncollectibles experience for the twelve-month period ended the previous September 30.

At the end of each twelve-month period commencing November 1, Balancing Charge recoveries, excluding recoveries attributable to the UC Percentage, shall be reconciled with actual balancing costs and any over- or under-recovery shall be refunded or recovered through the Balancing Charge during the next twelve-month period commencing November 1.

Issued By: Robert Sanchez, President, Pearl River, New York
(Name of Officer, Title, Address)