

PSC NO. 4 GAS

ORANGE AND ROCKLAND UTILITIES, INC. LEAF: 122.3
INITIAL EFFECTIVE DATE: August 1, 2012 REVISION: 1
Issued in compliance with Commission order in Case 11-G-0543, dated 5/23/12 SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION NO. 3 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

(F) Provisions Relating Interruptions (Cont'd.)

(2) Charge for Unauthorized Use of Gas

All gas consumed by a customer during a period of interruption in excess of the customer's firm base load volume shall be subject to a charge equal to the greater of a) two times the sum of (i) the cost of gas delivered to the Company's citygate on the day of the violation, as defined below, plus (ii) the applicable interruptible transportation rate determined in accordance with Service Classification No. 8 and as set forth in the "Statement of Interruptible Transportation and Supplemental Sales Charges" for the month in which the violation occurred or b) nine times the applicable interruptible sales rate determined in accordance with this Service Classification and as set forth in the monthly "Statement of Interruptible Gas Rates" for the month in which the violation occurred. For the purposes of this provision, the cost of gas shall be equal to the highest daily "Midpoint" rate of the "Louisiana-Onshore South", "Tennessee" receipt points for the appropriate day as published in Gas Daily in the table "Daily Price Survey" plus the Company's weighted average cost of transportation (WACOT) and fuel losses at 100% load factor.

(3) Charge for Inoperable Alternate Fuel/Energy Facilities or Inadequate Fuel Reserves

Customers, other than those taking service under Special Provision E (3), Shut-Down Option, that fail to comply with the requirements set forth in Special Provision E above shall be subject to a charge equal to the greater of a) 130% of the cost of its alternate fuel, as established with reference to appropriate fuel price indices as determined in accordance with the Company's Gas Transportation Operating Procedures or b) 130% of the rates charged by the Company under this Service Classification, minus the rates paid by the customer under this Service Classification. This additional charge shall be applied to all gas consumed during the billing period, excluding any Firm Base Load volumes, in which there is non-compliance and for any subsequent billing periods during which the non-compliance continues. This charge shall be assessed in addition to the Charge for Unauthorized Use of Gas.

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