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PSC NO. 4 GAS LEAF: 145
ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 3

INITIAL EFFECTIVE DATE: October 1, 2009 SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

RATE - MONTHLY: (Cont'd.)

(3) <u>Facilities Expansion Charge</u>

An applicant for service under this Service Classification requiring additional facilities shall have the option to pay for all additional facilities required to take service hereunder, or to have the Company pay for such facilities and to pay a Facilities Expansion Charge each month which will be designed to allow the Company to recover its investment and to earn a return on such investment. The charge shall also include income tax consequences and provide complete recovery over a period of not longer than the initial term as set forth in the customer's service agreement.

(4) Withdrawable Transportation Service Over and Under-delivery Charges

If the amount of gas delivered to the Company by a customer under this Service Classification varies from the amount of gas used by the customer on a daily basis, (adjusted for losses as defined in Special Provision E "Loss Adjusted Usage"), the customer will have an over-delivery or an under-delivery. If on any day the over-delivery or under-delivery is 10% or less of a customer's actual daily Loss Adjusted Usage, the customer may adjust subsequent daily deliveries to the Company by an amount not to exceed 10% of any day's Loss Adjusted Usage to eliminate any over- or under-delivery remaining at the end of the month. Any over- or under-delivery remaining at the end of each month will be cashed out. To cash out over- or under-deliveries, the customer must sell the over-delivered volumes to the Company or purchase the under-delivered volumes from the Company as specified below.

(a) <u>Over-deliveries - Daily</u>

If on any day a customer's over-delivery is greater than 10% of a customer's actual Loss Adjusted Usage, the over-delivered volumes in excess of 10% will be purchased by the Company at the rates set forth below. The Index Price used to determine the applicable rate shall be equal to the highest "Midpoint" rate of the "Louisiana-Onshore South", "Tennessee" receipt points for the applicable 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 calculated at 100% load factor.

For Over-deliveries	Rate
>10% up to and including 15%	90% of Index Price
>15% up to and including 20%	85% of Index Price
>20% - Winter	60% of Index Price
>20% - Summer	70% of Index Price