

PSC NO. 4 GAS LEAF: 132
ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 8
INITIAL EFFECTIVE DATE: November 1, 2006 SUPERSEDING REVISION: 7
Issued in compliance with Commission order in Case 05-G-1494, dated 10/20/06

SERVICE CLASSIFICATION NO. 6 (Cont'd.)

RATE - THREE PART - MONTHLY: (Cont'd.)

(2) Balancing Service Option or Winter Bundled Sales Service Option
(Cont'd.)

(D) Balancing Fee (Cont'd.)

subject to the Balancing Fee. For new customers and for customers who install additional gas-burning equipment, the Average Daily Summer Usage to be used in the above calculation shall be estimated by the Company.

The Balancing Fee, as defined below, shall be assessed on each Ccf of Balancing Service rendered pursuant to Service Classification No. 6. The Balancing Fee shall equal the sum of the Company's annualized fixed storage charges and fixed pipeline transportation charges from storage to the pipeline delivery point(s) at the boundary of the Company's service territory divided by System Balancing capability, all as set forth in the determination of the Company's monthly Gas Adjustment Charge.

- (E) The Balancing Fee in 2(D), and the Peak Shaving Supply Fee in 2(C) shall be shown as separate line items in the Statement of Statement of Monthly Gas Adjustments as filed with the Commission each month. The Balancing Fee will be billed only during the months of November through March.

(3) Increase in Rates and Charges

- a. The provisions of the Company's Monthly Gas Adjustment as described in General Information Section No. 12 shall apply to all volumes delivered under this Service Classification.
- b. During the period October 1 through May 31 of each year, all volumes of gas used under this Service Classification shall be assessed the Weather Normalization Adjustment pursuant to General Information Section 12.3.
- c. The Merchant Function Charge as described in General Information Section 12.4 shall apply to all gas volumes delivered under this Service Classification.

Issued By: John D. McMahon, President, Pearl River, New York
(Name of Officer, Title, Address)