

PSC NO. 4 GAS LEAF: 152.2
ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 11
INITIAL EFFECTIVE DATE: November 1, 2006 SUPERSEDING REVISION: 10

SERVICE CLASSIFICATION NO. 11**CAPACITY OPTIONS FOR SELLERS: - (Cont'd.)**

Capacity Option A - Capacity Released by the Company - (Cont'd.)

Prior to the 2007-2008 capacity release period and prior to each capacity release period thereafter, Sellers electing Capacity Option A may be permitted to increase (up to each Seller's maximum ADCQ) or decrease their commitments for capacity to be obtained from the Company. Such changes may be permitted to the extent that the aggregate percentage of Sellers' total requested capacity requirements to be obtained from the Company under Capacity Option A do not increase or decrease by more than 20 percent from the aggregate percentage of Sellers' total capacity requirements obtained from the Company under Capacity Option A for the prior capacity release period. If the aggregate percentage of Sellers' total requested capacity requirements to be obtained from the Company under Capacity Option A would result in an increase or decrease of more than 20 percent from the aggregate percentage of Sellers' total capacity requirements obtained from the Company under Capacity Option A for the prior capacity release period, the Company may adjust proportionately the amount of capacity to be released to Sellers. Any increases may be further limited by the Company's ability to obtain sufficient capacity to meet Sellers' requests.

Firm interstate pipeline capacity will be released to the Seller at the interstate pipeline's maximum firm transportation rates under its FERC gas tariff. The Seller shall be directly billed by the pipeline for such capacity and will be responsible for paying the pipeline for such charges.

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