

PSC NO. 4 GAS LEAF: 152.1
ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 9
INITIAL EFFECTIVE DATE: November 1, 2006 SUPERSEDING REVISION: 8

SERVICE CLASSIFICATION NO. 11**CAPACITY OPTIONS FOR SELLERS:**

A Seller must obtain firm upstream pipeline capacity equal to its Maximum Aggregated Daily Contract Quantity ("MAX ADCQ") as defined in the Balancing Service Option and Winter Bundled Sales Service Option sections set forth herein. Seller must use such capacity to serve its firm transportation customers behind the Company's citygate during the months of November through March when the temperature is forecast to be below the prescribed temperature established in accordance with the Company's Gas Transportation Operating Procedures. Sellers taking service hereunder will be notified of the prescribed temperature in accordance with the Company's Gas Transportation Operating Procedures. Such pipeline capacity may be obtained by using one or both of the following options:

Capacity Option A - Capacity Released by the Company

Sellers electing Service Classification No. 11 who wish to provide gas supplies to customers served by the Company pursuant to Service Classification No. 6 or who will be supplying gas to themselves under Service Classification No. 6 and the provisions herein, may contract for a portion of the Company's firm interstate pipeline capacity and abide by the nomination procedures established herein. Available pipeline capacity will be released by the Company directly to Seller and allocated in accordance with the Company's Gas Transportation Operating Procedures, in accordance with the terms and conditions of the interstate pipeline's FERC gas tariff and the rules and regulations of the FERC.

Sellers electing Capacity Option A must execute a Capacity Release Service Agreement for capacity prior to the start of each capacity release period. Deadlines for executing this Capacity Release Service Agreement may be found in the Company's Gas Transportation Operating Procedures or will be directly communicated to Sellers by the Company.

If a Seller has a net increase in its firm load (as confirmed by the Company), after the date the Seller executes the Capacity Release Service Agreement hereunder for a capacity release period, the Seller must obtain additional capacity under Capacity Option A and/or Capacity Option B to meet that net increase. Requests for additional capacity must be received by the Company by the 21st day of the month preceding the request's effective date.

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