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PSC NO. 4 GAS LEAF: 152.2

ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 13
INITIAL EFFECTIVE DATE: November 1, 2007 SUPERSEDING REVISION: 12

Issued in compliance with Commission order in Case 07-G-0299, dated 08/30/07

SERVICE CLASSIFICATION NO. 11 (Cont'd.)

MANDATORY CAPACITY RELEASE SERVICE: - (Cont'd.)

The capacity released to the Seller and/or its Agent will be recalled by the Company if: (1) the MAX ADCQ applicable to firm customers served by the Seller behind the Company's citygate decreases; (2) the Seller and/or its Agent fails to comply with the terms and conditions of this Rate Schedule, the Company's Gas Transportation Operating Procedures, or the Capacity Release Service Agreement; (3) the Seller and/or its Agent fails to comply with an interstate pipeline company's capacity release provisions; or (4) required to preserve the integrity of Company's facilities and service. The Company may also recall capacity in the event of non-performance by Seller and/or its Agent as specified in Special Provision B below.

The Seller and/or its Agent shall indemnify the Company from all losses and damages resulting from the actions or inactions of the Seller and/or its Agent under the Capacity Release Service Agreement with the Company and the pipeline service agreement(s). The Seller and/or its Agent shall also warrant title to the gas transported under these agreements.

DETERMINATION OF AGGREGATED DAILY CONTRACT QUANTITY:

An Aggregated Daily Contract Quantity ("ADCQ"), stated in dekatherms (Dth's), shall be calculated monthly for each Seller taking service hereunder. The ADCQ shall be equal to the sum of the DCQs ("Daily Contract Quantity") for all Balancing Service customers and Winter Bundled Sales Service Option customers in the Seller's Aggregation Group. The ADCQ represents the volume of gas the Seller is required to deliver to the Company's citygate each day.

Each customer must elect either the Balancing Service Option or the Winter Bundled Sales Service Option for each customer account. A Seller must specify annually, by February 15th, and thereafter in the monthly nomination procedures which customers within its Aggregation Group are to receive the Balancing Service Option and which customers are to receive the Winter Bundled Sales Service Option. A Seller must retain a customer in the Balancing Service Option, or Winter Bundled Sales Service Option aggregation group initially through March 31, and annually thereafter.