

**PSC NO. 4 GAS** LEAF: 154.1  
**ORANGE AND ROCKLAND UTILITIES, INC.** REVISION: 0  
INITIAL EFFECTIVE DATE: May 1, 2004 SUPERSEDING REVISION:

**SERVICE CLASSIFICATION NO. 11 (Cont'd.)****BALANCING SERVICE OPTION: (Cont'd.)**

## Cash-Out Option

For each month the Company will calculate the difference between the Seller's Balancing Service Option customer's actual usage and the ADCQ multiplied by the number of days in the billing period. If there is an imbalance at the end of the month, the over-delivered volumes will be purchased by the Company from the Seller and the under-delivered volumes will be sold by the Company to the Seller at a rate equal to the monthly average of the highest daily "Midpoint" rate of the Louisiana - Onshore South", "Tennessee" receipt points for such month as published in Gas Daily in the table "Daily Price Survey", plus the Company's Adjusted WACOT for such month and fuel losses calculated at 100% load factor.

The MAX ADCQ shall be the amount of daily pipeline capacity to be obtained by the Seller. The ADCQ is the amount of gas that Seller must deliver to the Company daily. If Seller is also serving customers that have elected the Functional Storage Service Option, the ADCQ and the MAX ADCQ determined for the Functional Storage Service Option shall be added to the ADCQ and MAX ADCQs determined herein.

**FUNCTIONAL STORAGE SERVICE OPTION:**

For customers electing the Functional Storage Service Option pursuant to Service Classification No. 6, the customer's Seller will be provided by the Company:

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