

PSC NO. 4 GAS

ORANGE AND ROCKLAND UTILITIES, INC. LEAF: 166.11
INITIAL EFFECTIVE DATE: April 1, 2004 REVISION: 5
SUPERSEDING REVISION: 4
Issued under authority of Order of the Public Service Commission dated March 19, 2004 in Case Nos. 03-G-1734 and 03-G-1735.

SERVICE CLASSIFICATION NO. 11 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

- (F) After Seller delivers gas or causes gas to be delivered to the Company at the Company's point of interconnection with the applicable interstate pipeline, the Company shall be deemed to be in control and possession of the gas until it is redelivered to customer at customer's meter. Seller shall have no responsibility, unless otherwise specified herein, with respect to any gas delivered by the Company or on account of anything which may be done, happen or arise with respect to such gas while such gas is in the control and possession of the Company.

The Company shall have no responsibility with respect to such gas before Seller delivers such gas to the Company or after the Company redelivers such gas to customer at customer's meter, or on account of anything which may be done, happen or arise with respect to such gas before such delivery or after such redelivery.

- (G) The Company shall in no way be liable for any discrepancies between an individual customer's calculated DCQ and its actual usage, nor responsible for any additional gas costs incurred by a Seller due to such discrepancies.

(H) Transportation Service Billing Options

A Marketer may choose to offer one or more of the following billing arrangements to its transportation service customers: Utility Single Bill, Marketer Single Bill or Two Separate Bills. The Marketer must comply with the requirements of General Information Section No. 6.5(2) regarding these arrangements.

(I) Seller Deposit and Prepayment Requirements

1. Sellers shall provide evidence to the Company of credit-worthiness as required by order of the Public Service Commission in Case 00-M-0504, issued and effective May 9, 2002, before requesting or accepting deposits and/or prepayments from their small commercial customers. This evidence shall be in the form of:

- a) A minimum bond rating of "BBB" from S&P, "Baa 2" from Moody's, or "BBB" from Fitch, for either the Seller or its parent, if the parent agrees to act as guarantor for the Seller, or
- b) Letter of Credit or Escrow account with an "A" rated financial institution.

The evidence relating to prepayments shall be in the form of a minimum bond rating of "BBB" from S&P, "Baa 2" from Moody's, or "BBB" from Fitch, for either the Seller or its parent, if the parent agrees to act as guarantor for the Seller.

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