

PSC NO. 4 GAS LEAF: 131
ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 8
INITIAL EFFECTIVE DATE: April 1, 2004 SUPERSEDING REVISION: 6

SERVICE CLASSIFICATION NO. 6 (Cont'd.)

RATE - THREE PART - MONTHLY: (Cont'd.)

(2) Balancing Service Option or Winter Bundled Sales Service Option
(Cont'd.)

(B) Winter Bundled Sales Service Option

The Winter Bundled Sales Service Option provides for a Seller to deliver gas to the Company's citygate on behalf of all customers in the Seller's Aggregation Group based on the customers' average daily usage for the same month last year, weather-normalized, with the Company redelivering the gas to the Seller's customers on an as-needed basis, except that a portion of the Seller's customers total gas requirements during the period November through March (winter period) shall include an amount of WBS gas purchased by the Seller from the Company in accordance with and at the rates set forth in Service Classification No. 11 of this Rate Schedule.

(C) Peak Shaving Supply Fee

Customers that elect either the Balancing Service Option or the Winter Bundled Sales Service Option will be assessed the Peak Shaving Supply Fee when propane is used by the Company to meet the system requirements of all firm sales and transportation customers. Customers will be assessed the Peak Shaving Supply Fee based on the customer's Ccfs of annual usage to recover the cost of any propane used by the Company. The Peak Shaving Supply Fee shall be determined by dividing the cost of propane used in any twelve-month (12) period by the quantity of gas delivered to Service Classification Nos. 1, 2, 5 and 6, during the same period, all as set forth in the determination of the Company's Monthly Gas Adjustment.

(D) Balancing Fee

For customers opting for the Balancing Service, if the customer's average daily usage of gas in any of the months of November through March exceeds the average daily usage during the preceding billing months of June through September ("Average Daily Summer Usage"), the volume used in such month in excess of the product of the Average Daily Summer Usage times the number of days in the billing month shall be

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