

PSC NO. 4 GAS	LEAF:	155
ORANGE AND ROCKLAND UTILITIES, INC.	REVISION:	8
INITIAL EFFECTIVE DATE: April 1, 2004	SUPERSEDING REVISION:	7

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

At the end of each month, the Company will calculate the difference between the Seller's customers' actual usage and the ADCQ multiplied by the number of days in the billing period, taking into consideration any adjustment from prior months, and shall adjust the ADCQ for a succeeding month by that difference divided by the total number of days in the month, provided that such adjustment will neither increase that month's adjusted ADCQ to a level greater than the Seller's MAX ADCQ for the year nor decrease that month's adjusted ADCQ to a level less than zero. The increment of any such adjustment that results in a particular month's ADCQ being greater than the MAX ADCQ or less than zero will be carried to a future month.

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.

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