

PSC NO. 4 GAS	LEAF:	153
ORANGE AND ROCKLAND UTILITIES, INC.	REVISION:	7
INITIAL EFFECTIVE DATE: November 1, 2005	SUPERSEDING REVISION:	6

SERVICE CLASSIFICATION NO. 11 (Cont'd.)**CAPACITY OPTIONS FOR SELLERS:** (Cont'd)

Capacity Option A - Capacity Released by the Company (Cont'd)

The capacity released to the Seller 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 fails to comply with the terms and conditions of this Rate Schedule, and/or the Company's Gas Transportation Operating Procedures; or (3) the Seller fails to comply with an interstate pipeline company's capacity release provisions. The Company may also recall capacity in the event of non-performance by Seller as specified in Special Provision B below.

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

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