

..DID: 10171
..TXT: PSC NO: 4 GAS LEAF: 188.10
COMPANY: ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 1
INITIAL EFFECTIVE DATE: 10/01/99 SUPERSEDING REVISION: 0
STAMPS: Issued in compliance with Order in Case 98-M-1343 dated 09/22/99
RECEIVED: 09/30/99 STATUS: Effective EFFECTIVE: 10/01/99

SERVICE CLASSIFICATION NO. 13 (Cont'd.)

CREDITWORTHINESS: (Cont'd.)

Calling on Security Deposits

If the Seller fails to render payment on a timely basis, the Company will notify the Seller of its intent to call upon the security posted by the Seller to satisfy the outstanding invoices. If payment in full is not received within 5 business days from the date of notification to the Seller, the Company will draw from the security and notify the Seller that the amount drawn from the security must be fully reinstated within 5 calendar days or the Seller's eligibility to take service hereunder will be terminated.

The Company shall call upon the security posted by a Seller without prior notice if the Seller files a petition in bankruptcy or if, for any reason, a Seller ceases to provide service to its customers.

If the Company calls upon security posted by a Seller rendering bills to customers for both gas supply and delivery services, the funds will be applied to the Seller's customers' delivery charges and late payment charges, if any, for any unpaid amounts due to the Company from such customers.

SPECIAL PROVISIONS:

- (A) Seller warrants that, at the time of delivery of gas to the Company, it will have good title to deliver all gas volumes made available.
- (B) 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.

- (C) If Seller overdelivers or underdelivers gas at any time, the cashout volume will be treated as a purchase or sale of gas supply by the Company and the customers served by the Seller will not have such overdeliveries or underdeliveries credited to their accounts.

Issued By: Kevin Burke, President, Pearl River, New York
(Name of Officer, Title, Address)