..DID: 10246 ..TXT: PSC NO: 4 GAS LEAF: 76 COMPANY: ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 1 INITIAL EFFECTIVE DATE: 12/01/99 SUPERSEDING REVISION: 0 STAMPS: CANCELLED by Supplement 7 effective 12/01/99 RECEIVED: 10/15/99 STATUS: Cancelled EFFECTIVE: 12/01/99

GENERAL INFORMATION

12. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF GAS (Cont'd.)

12.1 <u>APPLICABLE TO SERVICE CLASSIFICATION NOS. 1 AND 2</u> (Cont'd.)

- (E) Interruptible and Firm Dual Fuel Sales and Transportation Service Benefits (Cont'd.)
 - (3) The Company shall modify the S.C. No. 6 unit rate determined in (1) if a significant change to its estimate of (a) sales volumes to firm, firm dual fuel and/or interruptible customers, (b) volumes transported to interruptible transportation customers and/or (c) benefits, occurs during a fiscal year.
- (F) <u>Alternate Fuel Costs Adjustment Rate</u>
 - (1) When the Company must curtail the use of natural gas, the Company will implement its Alternate Fuel Payback Plan as a means of reducing gas consumption. Customers utilizing dual-fuel facilities will be paid the difference between the alternate fuel costs and the equivalent Btu volume of gas priced at their present Service Classification rate including the gas adjustment charge in accordance with the guidelines set forth below:
 - (a) Customers currently having duel-fuel facilities which were installed prior to October 26, 1971, or dual fuel facilities which were voluntarily installed after October 26, 1971 and on or before March 11, 1977 will be paid the difference between the cost of the alternate fuel and the equivalent Btu volume of gas priced at their present Service Classification rate including the gas adjustment charge.
 - (b) Customers voluntarily installing dual-fuel facilities on or after March 12, 1977, will be paid the difference between the cost of the cheapest feasible alternate fuel on the date of installation (as determined by the Company subject to Commission review in the event of controversy) and the equivalent Btu volume of gas priced at their present Service Classification rate including the gas adjustment charge.
 - (c) No payment shall be made to dual-fuel customers for any dualfuel usage which, when added to the customer's actual gas usage, exceeds the customer's base period or reduced base period allocation.

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