..DID: 1092 ..TXT: PSC NO: 4 GAS LEAF: 119 COMPANY: ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 0 INITIAL EFFECTIVE DATE: 10/15/97 SUPERSEDING REVISION: STAMPS: Cancelled by 1 Rev. Leaf No. 119 Effective 03/04/1999 RECEIVED: 07/22/97 STATUS: Cancelled EFFECTIVE: 10/15/97

## SERVICE CLASSIFICATION NO. 3 (Cont'd.)

(1) <u>Unit Charge</u> (Cont'd.)

The Unit Charge shall not be less than the "Average Commodity Cost of Gas" plus a take or pay surcharge as provided for in the Commission's Order dated March 29, 1989 in Case 88-G-062.

The Unit Charge shall not be greater than the sum of (i) the lowest per unit charge for service under Service Classification No. 2, plus (ii) the gas adjustment charge applicable to service under Service Classification No. 2.

The "Average Commodity Cost of Gas" shall be computed monthly by:

- (a) applying the commodity rates and charges of the Company's gas suppliers, which are or will be in effect on the date the gas adjustment charge applicable to Service Classification Nos. 1 and 2 becomes effective, to the respective quantities of purchased gas taken from each supplier during the twelve consecutive calendar months immediately preceding the date of computation.
- (b) applying the commodity rates and charges of the Company's gas suppliers, which are or will be in effect on the date the gas adjustment charge applicable to Service Classification Nos. 1 and 2 becomes effective for new or substantially amended gas supply contracts (substantially amended gas contracts mean changes have the effect of increasing or decreasing either the quantities of gas or the cost of the gas by more than 5 percent) under which gas has not been purchased during all of the twelve calendar months immediately preceding the computation dates, to volumes equal to the annual volumes to be taken under each such contract.
- (c) dividing the sum of items (a) and (b) by the quantity of gas purchased during such twelve months.
- (2) <u>Increase in Rates and Charges</u>

The rates and charges under this Service Classification, including the charges specified in Special Provision (D), will be increased pursuant to General Information Section 15.

Issued By: Larry S. Brodsky, President, Pearl River, New York (Name of Officer, Title, Address)