..DID: 1172 ..TXT: PSC NO: 4 GAS LEAF: 68 COMPANY: ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 1 INITIAL EFFECTIVE DATE: 10/15/97 SUPERSEDING REVISION: 0 STAMPS: RECEIVED: 08/13/97 STATUS: Effective EFFECTIVE: 10/15/97

GENERAL INFORMATION

11. GAS RESTRICTIONS AND LIMITATIONS (Cont'd.)

11.1 <u>RESTRICTIONS ON ATTACHMENTS OF NEW GAS CUSTOMERS AND SUPPLYING OF GAS TO</u> <u>EXISTING</u> <u>CUSTOMERS</u> (Cont'd.)

- (E) <u>Curtailment of Service</u> (Cont'd.)
 - (2) Long-term Supply Curtailments (Cont'd.)
 - (b) Shortage of Qualified Seller(s)' Gas on a Long-Term Basis

In the event there is a shortage of Qualified Seller(s)' gas supplies on a long-term basis and customer curtailments are necessary, the Company will follow the curtailment plan(s) submitted by Qualified Sellers to the Company. Gas delivered to non-core customers will be curtailed in accordance with the instructions of the customer's Qualified Seller.

The Company reserves the right to deviate from the curtailment plan(s) submitted by Qualified Sellers on an as needed basis when necessary to maintain system operational integrity or when health, safety, or property-preservation concerns mandate certain customer-specific or geographically-required curtailments.

Service Classification No. 6 expressly provides that should any Qualified Seller fail to provide gas supplies for core, firm transportation customers, the Company will automatically supply gas to those customers at the customer's otherwise applicable sales service rates. With respect to non-core transportation customers, gas service will be curtailed to the extent operationally feasible in accordance with the curtailment plans submitted by the customer's Qualified Seller.

Nothing within these curtailment procedures shall impact the Company's right to take any and all actions necessary in conformance with Service Classification No. 11 to assure reliable service by Qualified Sellers, including, but not limited to, termination of qualification as a Seller.

(3) <u>Distribution Curtailments</u>

In most circumstances, the nature of a capacity constraint will dictate the necessary curtailment action. When a capacity constraint occurs on the Company's distribution system which requires the Company to curtail customers, but which allows discretionary judgment in the curtailment of gas transportation and sales customers, the following order of curtailment will be followed, with the list indicating the first curtailed through the last curtailed.

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