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Status: CANCELLED

Effective Date: 10/15/1997

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COMPANY: ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 0

INITIAL EFFECTIVE DATE: 10/15/97 SUPERSEDING REVISION:

STAMPS:

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SERVICE CLASSIFICATION NO. 11 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

- (B) (Cont'd.)
 - (4) the names, addresses and telephone numbers of three trade references with whom the Company may make reasonable inquiry into Seller's creditworthiness, and copies of any available reports regarding the Seller from credit reporting and bond rating agencies;
 - (5) names, addresses, and telephone numbers of bank references;
 - (6) disclosure of past or pending bankruptcy or other similar state or federal proceedings, outstanding judgements or pending claims or lawsuits that could affect the solvency of the Seller; and
 - (7) any other data Seller desires to submit that would assist the Company in determining creditworthiness.

Upon notification by the Company that a Seller has failed to satisfy the credit appraisal or subsequently during the term of the Service Agreement no longer satisfies the Company's credit criteria, such Seller may still obtain credit approval by the Company if it pays any outstanding balances due the Company for service rendered and elects to provide one of the following (collectively, "Security"): (1) an advance deposit; (2) a standby irrevocable letter of credit; (3) security interest in collateral found to be satisfactory to the Company; or (4) a guarantee, acceptable to the Company, by another person or entity which satisfies the Company's credit appraisal.

Such Security must initially be of an amount equal to the product of the Seller's MAX ADCQ and \$100. If at any point in time, Seller's MAX ADCQ decreases, Seller has the option to reduce the level of the Security to the product of the new MAX ADCQ and \$100. If, at any point in time, Seller's currently posted level of the Security, less any outstanding obligations payable to the Company pursuant to the provisions of this Service Classification, is less than the product of the Seller's MAX ADCQ and \$100, Seller will be required, upon no less than five days notice from the Company, to increase the level of the Security to the product of its MAX ADCQ and \$100.

The required level of Security in all cases must be posted no later than the first of the month prior to the month in which service is requested to initiate or continue. If such Security is not posted in accordance with the foregoing, the Company is not required to provide service. If Seller is unable to maintain credit approval, service hereunder shall be terminated as of the first day of the month following written notice to Seller.

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