..DID: 8859 ..TXT: PSC NO: 4 GAS LEAF: 182.9 COMPANY: ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 0 INITIAL EFFECTIVE DATE: 06/01/99 SUPERSEDING REVISION: STAMPS: Issued in compliance with Order in Case 98-M-1343 dated 02/16/99 Cancelled by 1 Rev. Leaf No. 182.9 Effective 11/01/1999 RECEIVED: 05/26/99 STATUS: Cancelled EFFECTIVE: 06/01/99

SERVICE CLASSIFICATION NO. 12 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

(E) <u>Operational Flow Orders:</u>

The Company shall have the right to issue Operational Flow Orders ("OFOs") to alleviate conditions which threaten the integrity of the Company's system and to maintain operations required to provide efficient and reliable firm service.

The Company shall provide, via telephone and facsimile, notice to all OFO recipients of upcoming system events such as anticipated weather patterns and operational problems which may necessitate the issuance of an OFO.

Notice of all OFOs will be issued via telephone to be followed by a facsimile to the affected OFO recipient. The OFO will set forth (a) the time and date of issuance (b) the time by which a recipient must be in compliance with the OFO (c) the anticipated duration of an OFO, and (d) any other terms the Company may reasonably require to ensure the effectiveness of the OFO.

The issuance of an OFO will require a Seller to either increase or decrease volumes of gas but in no event will require a Seller to deliver a volume greater than the Seller's MAX ADCQ. The issuance of OFOs will correspond with the tariff provisions of the interstate pipelines utilized for delivery by the OFO recipient.

If Seller fails to comply with an OFO issued by the Company, a penalty of \$25 per dekatherm shall be assessed on all volumes delivered in violation of the OFO.

(F) 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.

- (G) The Company shall in no way be liable for any discrepancies between an individual customer's calculated DCQ and its actual usage, nor responsible for any additional gas costs incurred by a Seller due to such discrepancies.
- (H) Sellers electing to serve new customers pursuant to Service Classification No. 6, or Sellers transferring from Service Classification No. 11 to this Service Classification to serve existing Service Classification No. 6 customers, shall be precluded from transferring to Service Classification No. 11 through March 31, 1999. Thereafter, Sellers serving Service Classification No. 6 customers pursuant to this Service Classification may not transfer a customer to another

Issued By: R. Lee Haney, Chief Financial Officer, Pearl River, New York

Service Classification more than once in a twelve-month period.