..DID:17899..TXT: PSC NO: 4GASCOMPANY: ORANGE AND ROCKLAND UTILITIES, INC.REVISION: 2INITIAL EFFECTIVE DATE:01/14/02SUPERSEDING REVISION:1STAMPS:Issued in compliance with Order in Case 00-G-0996, dated 10/31/01.RECEIVED:12/14/01RECEIVED:12/14/01

SERVICE CLASSIFICATION NO. 10 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

- (D) <u>Reserve Requirements</u> (Cont'd.)
 - (2) All Human Needs Customers shall have a ten days supply of alternate fuel. If the customer does not have ten days storage capability on site, the customer must fill available on-site storage and prove, to the Company's satisfaction, that a relationship exists with an alternate fuel provider to supply the customer for the difference between its on-site supply and the ten days of required alternate fuel supply.

For the purposes of this provision, Human Needs Customers are those who receive service for their own or another's residential uses and purposes whether involving temporary or permanent occupancy, which includes residential hotels, single room occupancies, prisons, dormitories, living facilities of clergy and acute care or nursing home providers housing patients or residents on an overnight basis including, nursing homes, hospitals, community residences, and shelters.

(3) Other withdrawable customers must maintain reserve levels acceptable to the Company.

A customer with an inadequate alternate fuel reserve that fails to discontinue gas service at any time during the first five days in the case of Distillate Users, and during the first ten days in the case of Human Needs Customers, in which the Company has requested customer to discontinue usage of gas service in any winter season shall be billed an additional charge equal to the greater of a) 130% of the cost of its alternate fuel, as established with reference to appropriate fuel price indices as determined in accordance with the Company's Gas Transportation Operating Procedures or b) 130% of the rates charged by the Company for service under this Service Classification, minus the rates paid by the customer under this Service Classification. Any customer with an inadequate alternate fuel reserve as of November 1 of each year will similarly be subject to the same additional charge. This additional charge shall be applied to all gas consumed during the billing period in which there is non-compliance and for any subsequent billing periods during which the non-compliance continues.

Issued By: <u>Stephen B. Bram, President, Pearl River, New York</u> (Name of Officer, Title, Address)