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**PSC NO. 4 GAS** LEAF: 197.1

ORANGE AND ROCKLAND UTILITIES, INC.

INITIAL EFFECTIVE DATE: January 1, 2015

SUPERSEDING REVISION: 1

## SERVICE CLASSIFICATION NO. 14 (Cont'd.)

## **SPECIAL PROVISIONS:** (Cont'd.)

(G) Reserve Requirements

Prior to November 1 of each year, customers are required to demonstrate to the Company that they have adequate reserves of alternate fuel based on peak winter period requirements and in accordance with the provisions below.

(1) All Distillate Users shall have a five days supply of alternate fuel. If the customer does not have five 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 five days of required alternate fuel supply.

For the purposes of this provision, Distillate Users are those customers using No. 2 fuel oil, diesel fuel or kerosene as their alternate fuel source.

(2) 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 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 a published distillate fuel index price as determined in accordance with the Company's Gas Transportation Operating Procedures or b) 130% of the Service Classification No. 8 Supplemental Sales Service Charge, 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>Timothy Cawley, President, Pearl River, New York</u>