

PSC NO. 4 GAS
ORANGE AND ROCKLAND UTILITIES, INC.
INITIAL EFFECTIVE DATE: October 1, 2009

LEAF: 142
REVISION: 2
SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION NO. 9

APPLICABLE TO USE OF SERVICE FOR:

Withdrawable transportation of natural gas and withdrawable sales of natural gas to customers that can demonstrate to the Company's satisfaction that their annual gas consumption will be at least 1,000,000 Ccf of gas at a single meter. Such gas must be used predominantly for the purpose of fueling an electric generation facility, which is owned by an Independent Power Producer or Qualifying Facility (hereinafter referred to as the "customer") located adjacent to the Company's existing gas distribution mains having adequate capacity to supply the customer's prospective requirements, in addition to the requirements of other present or prospective customers taking firm or interruptible service from such distribution mains or who agree to pay to the Company, as provided for below, the estimated cost of expanding its distribution system to make it adequate for service hereunder and who agree to:

- (a) discontinue use of gas at customer's facility being served hereunder at the Company's request on not less than four hours notice, such withdrawals may be consecutively or non-consecutively for a maximum term of up to 720 hours (30 days equivalent) in any given year;
- (b) install and maintain facilities, acceptable to the Company, for using an alternate fuel during periods in which the Company withdraws service;
- (c) install the necessary electronic/communications equipment, acceptable to the Company, which allows the Company to monitor the customer's daily usage of gas; and
- (d) not use service supplied hereunder in any equipment which is supplied with gas service under any other Service Classification of this Schedule.

CHARACTER OF SERVICE:

- (A) Withdrawable transportation of natural gas (hereinafter referred to as "withdrawable transportation service") owned by a customer which the customer has arranged to have transported to a delivery point at the boundary of Orange and Rockland's service area. The Company shall control the dispatch of such gas, and dispatch will be provided as requested by the customer, except that the volume of gas delivered shall be conditioned upon the availability of distribution system capacity as provided for above under APPLICABLE TO USE OF SERVICE FOR.

A customer taking withdrawable transportation service under this Service Classification is required to (1) nominate and schedule the volumes to be delivered to the delivery point each day and (2) balance the volumes delivered to the Company with actual usage each day and month within the tolerances specified in the subparagraph "Withdrawable Transportation Service Over- and Under-Delivery Charges" of this Service Classification. A customer may elect to have a Qualified Seller perform the balancing service pursuant to

Issued By: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

CHARACTER OF SERVICE: (Cont'd.)

(A) (Cont'd.)

Service Classification No. 13. For customers electing to have a Qualified Seller perform the balancing service, the over-delivery and under-delivery charges specified in "Rate Monthly", will be billed to the Qualified Seller and the Qualified Seller will be primarily responsible for such charges. If for any reason a Qualified Seller does not pay the under-delivery or over-delivery charges, however, the Company retains the right to bill the customer for such charges.

- (B) Withdrawable sales of natural gas (hereinafter referred to as "withdrawable sales service") owned by the Company and having a heating value of not less than 1,000 Btu per cubic foot, delivered at a pressure agreed upon by the customer and the Company, but not in excess of the available pressure at the point of delivery, as determined by the Company. Customers have the option, in lieu of taking firm withdrawable transportation service provided in (A) above, to purchase withdrawable sales service on a month-to-month basis to meet the customer's full requirement in a given month.

By no later than 4:00 PM on the third business day prior to the first day of the following month, all customers served under this service classification shall be notified by the Company of the supply charge component of withdrawable sales service, as described under the Rate Monthly (2) section of this Service Classification, to be effective on the first calendar day of the following month. Such notification shall be made through the Internet or by fax, telephone, or other electronic medium.

- (C) Customers must elect either withdrawable transportation service or withdrawable sales service for the following month and notify the Company by no later than Noon of the next business day following notification by the Company as outlined in (B) above in accordance with the Company's Gas Transportation Operating Procedure. A customer who fails to make a timely election shall be deemed to have elected withdrawable sales service, unless the customer previously advised the Company in writing that withdrawable transportation service should be its default service.

SERVICE AGREEMENT:

The Company and customer shall execute a service agreement prior to the commencement of service hereunder. The service agreement shall contain all information necessary for the Company to supply service to the customer, including but not limited to:

- (a) the term of service, options for continuing service and options for canceling service;

Issued By: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

RATE - MONTHLY: (Cont'd.)

(3) Facilities Expansion Charge

An applicant for service under this Service Classification requiring additional facilities shall have the option to pay for all additional facilities required to take service hereunder, or to have the Company pay for such facilities and to pay a Facilities Expansion Charge each month which will be designed to allow the Company to recover its investment and to earn a return on such investment. The charge shall also include income tax consequences and provide complete recovery over a period of not longer than the initial term as set forth in the customer's service agreement.

(4) Withdrawable Transportation Service Over and Under-delivery Charges

If the amount of gas delivered to the Company by a customer under this Service Classification varies from the amount of gas used by the customer on a daily basis, (adjusted for losses as defined in Special Provision E "Loss Adjusted Usage"), the customer will have an over-delivery or an under-delivery. If on any day the over-delivery or under-delivery is 10% or less of a customer's actual daily Loss Adjusted Usage, the customer may adjust subsequent daily deliveries to the Company by an amount not to exceed 10% of any day's Loss Adjusted Usage to eliminate any over- or under-deliveries by the end of the month. Any over- or under-delivery remaining at the end of each month will be cashed out. To cash out over- or under-deliveries, the customer must sell the over-delivered volumes to the Company or purchase the under-delivered volumes from the Company as specified below.

(a) Over-deliveries - Daily

If on any day a customer's over-delivery is greater than 10% of a customer's actual Loss Adjusted Usage, the over-delivered volumes in excess of 10% will be purchased by the Company at the rates set forth below. The Index Price used to determine the applicable rate shall be equal to the highest "Midpoint" rate of the "Louisiana-Onshore South", "Tennessee" receipt points for the applicable day as published in Gas Daily in the table "Daily Price Survey", plus the Company's weighted average cost of transportation (WACOT) and fuel losses calculated at 100% load factor.

| For Over-deliveries | Rate |
|------------------------------|--------------------|
| >10% up to and including 15% | 90% of Index Price |
| >15% up to and including 20% | 85% of Index Price |
| >20% - Winter | 60% of Index Price |
| >20% - Summer | 70% of Index Price |

Issued By: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

RATE - MONTHLY: (Cont'd.)

(4) Withdrawable Transportation Service Over and Under-delivery Charges
 (Cont'd.)

(b) Over-deliveries - Monthly

If there is an over-delivery at the end of the month, the over-delivered volumes will be purchased by the Company at a rate equal to 95% of the monthly average of the highest daily "Midpoint" rates of the "Louisiana-Onshore South", "Tennessee" receipt points for the month published in Gas Daily in the table "Daily Price Survey", plus the Company's weighted average cost of transportation (WACOT) and fuel losses calculated at 100% load factor.

(c) Under-deliveries - Daily

If on any day a customer's under-delivery is greater than 10% of a customer's actual Loss Adjusted Usage, the under-delivered volumes in excess of 10% will be sold to the customer by the Company at the rates set forth below. The Index Price used to determine the applicable rate shall be equal to the highest daily "Midpoint" rate of the "Louisiana - Onshore South", "Tennessee" receipt points for the applicable day as published in Gas Daily in the table "Daily Price Survey", plus the Company's weighted average cost of transportation (WACOT) and fuel losses calculated at 100% load factor.

| For Under-deliveries | Rate |
|------------------------------|---------------------|
| >10% up to and including 15% | 110% of Index Price |
| >15% up to and including 20% | 115% of Index Price |
| >20% - Winter | 140% of Index Price |
| >20% - Summer | 130% of Index Price |

(d) Under-deliveries - Monthly

If there is an under-delivery at the end of the month, the under-delivered volumes will be sold to the customer by the Company at a rate equal to 105% of the monthly average of the highest daily "Midpoint" rates of the "Louisiana - Onshore South", "Tennessee" receipt points for the month published in Gas Daily in the table "Daily Price Survey", plus the Company's weighted average cost of transportation (WACOT) and fuel losses calculated at 100% load factor.

PSC NO. 4 GAS LEAF: 146.1
ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 0
INITIAL EFFECTIVE DATE: October 1, 2009 SUPERSEDING REVISION:
Issued in Compliance with Commission order in Case 09-M-0311, dated 06/19/09

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

RATE - MONTHLY: (Cont'd.)

(5) Temporary State Assessment Surcharge

The Temporary State Assessment Surcharge as described in General Information Section 24 shall apply to all gas delivered under this Service Classification.

(6) Increase in Rates and Charges

The rates and charges under this Service Classification will be increased pursuant to General Information Section 15 of this Schedule.

Issued By: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

STATEMENT OF INTERRUPTIBLE SALES SERVICE SUPPLY CHARGE

Not less than three business days prior to the first day of each billing period, the Company shall file with the Commission a "Statement of Interruptible Sales Service Supply Charge Applicable to Service Classification No. 9" showing the supply charge component of withdrawable sales service applicable to gas sold to the customer during the billing period. Such statement will be made available for public inspection at Company's offices where applications for service may be made and is available on the Company's internet web site www.oru.com.

MONTHLY MINIMUM CHARGE:

Customers are subject to a monthly minimum charge equal to the product of:

- (1) the "Delivery Charge" set forth in the customer's service agreement;
- (2) 50 percent of the annual quantity of gas to be transported under this Service Classification divided by 365 days; and
- (3) the number of days in the billing period.

The Charge for Unauthorized Use of Gas, the Charge for Inoperable Alternate Fuel Facilities or Inadequate Fuel Reserves, and the Withdrawable Transportation Service Over or Under-delivery Charges set forth in this Service Classification shall not be credited against the Monthly Minimum Charge.

Annual Reconciliation of Monthly Minimum Charges

If a customer incurs a minimum charge in any month(s) but the quantity of gas transported in the Annual Period defined below is equal to or greater than one-half of the annual quantity of gas to be transported under this Service Classification, the Company shall refund all minimum charges paid in excess of the amounts applicable to the quantity of service taken in the shortfall months. If the quantity of service taken in the Annual Period is less than one-half of the annual quantity of gas to be transported under this service classification, the Company shall refund so much of the monthly minimum charges paid in the shortfall months as exceed the amount payable for one-half of the customer's annual quantity. The Annual Period is the twelve-month period beginning with the month in which the customer first receives service under this service classification and each succeeding twelve-month period.

TERM:

The initial term and renewal options shall be as provided for in the customer's service agreement.

In addition to all other remedies available to the Company, the Company reserves the right to discontinue service immediately, temporarily or permanently, to the customer or to the premises where there is a

Issued By: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)

PSC NO. 4 GAS
ORANGE AND ROCKLAND UTILITIES, INC.
INITIAL EFFECTIVE DATE: October 1, 2009

LEAF: 147.1
REVISION: 3
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

TERM: (Cont'd.)

violation or any failure to comply with any of the provisions of this Service Classification, the customer's service agreement, the Company's Gas Transportation Operating Procedures or this Rate Schedule.

TERMS OF PAYMENT:

Bills are due when rendered, subject to a late payment charge in accordance with the provisions of General Information Section 6.6 of this Schedule.

SPECIAL PROVISIONS:

(A) Metering

The unit of measurement shall be a cubic foot of gas at an absolute pressure of fourteen and seventy-three one-hundredths pounds (14.73 lbs.) per square inch, a temperature of sixty degrees (60°) Fahrenheit and without adjustment for water vapor content. In determining the volume of gas delivered, the Average Absolute Atmospheric (Barometric) Pressure shall be assumed to be fourteen and four-tenths pounds (14.4 lbs.) to the square inch, irrespective of actual elevation or location of the delivery point above sea level or variations in actual barometric pressure from time to time.

(B) Transportation Volumes

Prior to the commencement of service hereunder, the customer shall provide to the Company information necessary to ensure the Company will be able to provide the service requested. Such information shall include:

- (1) the name of the pipeline company that will deliver the customer's gas to the Company;
- (2) the maximum annual volume the customer requests the Company to transport;
- (3) the maximum daily and hourly volumes to be transported; and
- (4) a schedule of anticipated monthly volumes to be transported

The Company shall not be required to accept delivery of or to transport any volumes in excess of the maximum daily volumes or the maximum annual volumes the customer has requested be transported. Customer may request to increase the maximum daily volumes and/or annual volumes during the term of service. The Company will, if facilities will permit, accept and transport the higher volume.

Issued By: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

(C) Reimbursement for Other Charges

Customer shall reimburse Company for any fees, taxes or other charges that may be assessed or billed to the Company by any governmental agency or pipeline company for services rendered on behalf of customer regarding transportation of gas from supplier to the boundary of the Company's service territory, except for those charges to be paid by the Company as specified in the service agreement. Reimbursement will be made within ten days of receipt of a statement.

(D) Compensation for Diverting Gas

In the event the Company curtails service in accordance with the provisions of General Information Section 11.1 (E) - Curtailment of Service of this Rate Schedule and diverts the Seller's gas to continue to serve the needs of its highest priority customers, the Company shall compensate Seller for taking gas in accordance with General Information Section No. 11.1 (E). Customers of Sellers who are affected by a curtailment must seek compensation from their seller.

(E) Loss Adjusted Usage

The customer or its Seller shall deliver additional gas to compensate the Company for losses incurred in transporting customer's gas from the delivery point of the boundary of the Company's service area to the customer's premises. The total quantity of gas to be delivered shall be equal to the customer's metered usage multiplied by a loss factor set forth in the customer's service agreement.

(F) Firm Base Load

A customer, at its option, may declare, prior to November 1 of each year, a fixed volume of its daily usage as Firm Base Load. A Customer electing this option may use its Firm Base Load volume during periods when gas is withdrawn without incurring the Charge for Unauthorized Use of Gas set forth in Special Provision H (1) of this Service Classification for usage up to the Firm Base Load declared. All Firm Base Load usage will be considered first through the meter and be billed at the rates and charges contained in Service Classification No. 2 or Service Classification No. 6 as applicable. Declared Firm Base Load volumes will remain fixed for a period of one year.

(G) Customer Responsibilities

Customers must maintain operable alternate fuel equipment, adequate fuel storage capacity at the customer's location for use in such alternate fuel equipment and fuel supply that is adequate and replenished as necessary to enable the customer to operate

Issued By: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

(G) Customer Responsibilities (Cont'd.)

satisfactorily such equipment without gas whenever and so long as service under this Service Classification is withdrawn. The customer must also maintain a dedicated customer-installed telephone line to enable the Company to obtain remote readings of the customer's meter.

(1) Alternate Fuel Facilities

The customer shall immediately: (i) notify the Company of any condition that would prevent the required withdrawal of gas service or prevent the Company from determining whether the customer is using gas during a period in which the Company withdraws service, (ii) take immediate action to correct such condition, and (iii) notify the Company when such condition has been corrected.

Customers with inoperable alternate fuel facilities, including associated customer-installed telephone lines, will be entitled to a forty-eight hour grace period to correct the condition from the time when the condition is first reported by the customer or from when the condition is first discovered by the Company with notice to the customer, whichever is earlier. Customers that fail to correct the condition within the forty-eight hours shall be subject to the Charge for Inoperable Alternate Fuel or Inadequate Fuel Reserves set forth in Special Provision H (2) of this Service Classification.

The customer must comply with an annual inspection of its alternate fuel or alternate energy facilities, at a date and time determined by the Company, to determine whether such facilities are operable. In addition, the Company shall have the right to require a test of the customer's alternate fuel or alternate energy facilities. The customer must comply with any such test.

(2) Reserve Requirements

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

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

(G) Customer Responsibilities (Cont'd.)

(2) Reserve Requirements (Cont'd.)

- (a) All Distillate Users shall have a five day 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.

- (b) All Human Needs Customers shall have a ten day supply of alternate fuel. If the customer does not have ten days of 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.

- (c) New customers commencing service under this Service Classification, must, in addition to meeting the other requirements above, have three days or more of on-site inventory of alternate fuel, based on customer's winter peak requirements as determined in accordance with the Company's Gas Transportation Operating Procedures.
- (d) Other withdrawable transportation and withdrawable sales 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 customers who are Distillate Users, and during the first ten days in the case of Human Needs

Issued By: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)

SERVICE CLASSIFICATION NO. 9 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

(G) Customer Responsibilities (Cont'd.)

(2) Reserve Requirements (Cont'd.)

Customers, in which the Company has requested the customer to discontinue usage of gas service in any Winter Period or who has an inadequate alternate fuel reserve as on November 1 of each year shall be subject to the Charge for Inoperable Alternate Fuel Facilities or Inadequate Fuel Reserves as set forth in Special Provision H (2) of this Service Classification.

(H) Provisions Relating to the Withdrawal of Gas

(1) Charge for Unauthorized Use of Gas

All gas consumed by a customer during a period when gas is withdrawn under this Service Classification in excess of its Firm Base Load volume shall be subject to a charge equal to the higher of:

a) two times the sum of (i) the cost of gas delivered to the Company's citygate on the day of the violation, as defined below, plus (ii) the "Delivery Charge" as set forth in the customer's service agreement or b) nine times the cost of gas as set forth on the Statement of Withdrawable Sales Service Supply Charge Applicable to Service Classification No. 9 for the month in which the violation occurred.

For the purposes of this provision, the cost of gas shall be equal to the highest daily "Midpoint" rate of the "Louisiana-Onshore South", "Tennessee" receipt points for the appropriate day as published in Gas Daily in the table "Daily Price Survey" plus the Company's weighted average cost of transportation (WACOT) and fuel losses at 100% load factor.

(2) Charge for Inoperable Alternate Fuel Facilities or Inadequate Fuel Reserves

Customers that fail to comply with the requirements set forth in Special Provision G above shall be subject to a 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 cost of gas as set forth on the Statement of Withdrawable Sales Service Supply Charge Applicable to Service Classification No. 9. 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: William Longhi, President, Pearl River, New York
(Name of Officer, Title, Address)