ORANGE AND ROCKLAND UTILITIES, INC.

GAS TRANSPORTATION OPERATING PROCEDURES

Contents

INTRODUCTION

Purpose

These Gas Transportation Operating Procedures ("Operating Procedures") provide Customers taking firm gas transportation service under Service Classification ("SC") 6 and Marketers taking service under SC 11 with additional details about their rights and responsibilities under those Service Classifications. The Operating Procedures are also applicable to Customers taking interruptible transportation gas service under SC 8, SC 9 and Marketers taking service under SC 13.

These Operating Procedures together with the terms and conditions for service set forth in the applicable Service Classifications and the general rules, regulations, terms and conditions set forth in the General Information section of Orange and Rockland Utilities, Inc.'s ("O&R" or the "Company") Schedule for Gas Service P.S.C. No. 4 – Gas ("Tariff") and the Uniform Business Practices ("UBPs"), as set forth herein and in the Company's Tariff, govern the Company's provision of gas transportation service.

The Company's rights under its Schedule for Gas Service and under the law for a Customer's or Marketer's failure to comply with that Schedule apply equally to a Customer's or Marketer's failure to comply with these Operating Procedures.

This Operating Procedures manual includes the following information to assist users in understanding the O&R gas Retail Choice program and their rights and responsibilities therein:

- Overview of the organizational structure of O&R, Standards of Competitive Conduct, its franchise territory, gas service classifications as approved by the New York State Public Service Commission ("NYPSC" or "Commission") and the number of gas customers and annual consumption as of January 1, 2026;
- Gas Retail Choice program UBPs;
- Operating procedures applicable to Residential and small Commercial and Industrial customers participating in Retail Choice;
- Operating procedures applicable to interruptible customers participating in Retail Choice;
- Communication protocols for the Retail Choice program; and
- Description of Operation Flow Orders ("OFO"), Strict Adherence Orders ("SAO") and System Alerts ("SA").

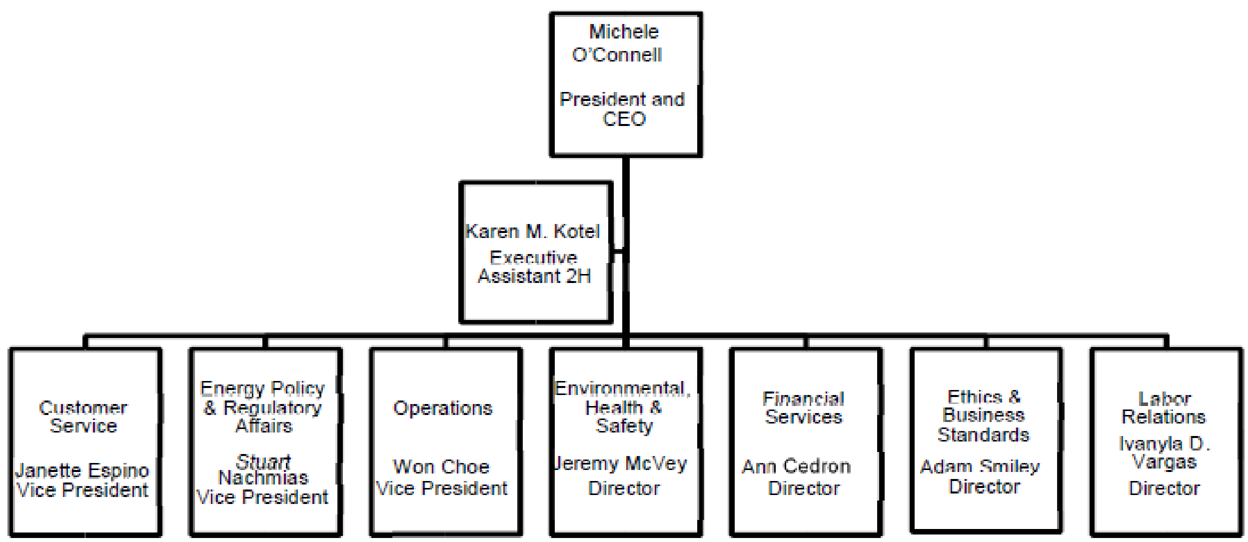
In addition, Appendix A to these Operating Procedures contains copies of the forms to be completed by customers and marketers for participation in the O&R programs.

Pursuant to the Order Concerning Reliability issued by the NYPSC on December 21, 1999 in Case No. 97-G-1380, O&R shall provide the NYPSC, all marketers qualified to do business in its service territory and all direct customers with notice of any proposed changes to its Operating Procedures not less than thirty (30) days prior to the effective date of such changes. This procedure is applicable solely to the following provisions of O&R's Operating Procedures: Gas Delivery Management Procedures for Firm

Residential, Commercial and Industrial Customers; Gas Delivery Management Procedures for Interruptible Customers; and Communications Protocols. Revisions to O&R's Tariff shall only be made in conformance with applicable New York law and the orders and regulations of the NYPSC. Similarly, the following provisions of O&R's Operating Procedures are included for informational purposes only and are subject to revision only in conformance with the orders of the NYPSC. Organization Structure

Organization Structure

Orange and Rockland Utilities, Inc. Orange and Rockland Utilities, Inc., a wholly owned subsidiary of Consolidated Edison, Inc., is an electric and gas utility headquartered in Pearl River, NY. Certain of O&R's operating functions are jointly managed by personnel employed by O&R's affiliate, Consolidated Edison Company of New York, Inc ("CECONY")



Consolidated Edison Company of New York
Gas Operations Structure

Mary E. Kelly

Senior Vice President Gas Operations

Amr A. Hassan

Vice President Gas Engineering

Enterprise Shared Services

Nancy M. Shannon
Senior Vice President
Enterprise Shared Services

Ivan Kimball
Vice President
Energy Management

Aydemir Nehrozoglu

Director

Resource Management

Gas Transportation Contacts

Transportation Customer and Marketer Support Personnel and Services

ORANGE AND ROCKLAND UTILITIES, INC.

Customer Energy Services Department - Retail Choice
766 W Nyack Rd, West Nyack NY, 10994

Marketer Contacts:

Email: retailchoice@coned.com

Manager .... (347) 558 – 1076
Senior Specialist .... (551) 315 – 3734

Gas Control Center
1615 Bronxdale Ave
Bronx, NY 10462

Manager 646-942-8011
After Hours 646-942-8011

Gas Control Main Number (24 hours - 7 days) 718-794-2889
Gas Control Alternate Number (24 hours - 7 days) 718-794-2891

New Construction Services
390 West Route 59
Spring Valley, NY 10977

To obtain service for new construction, a service upgrade or to change a meter location, please visit oru.com/ProjectCenter or call us at 845-577-3324.

STANDARDS OF COMPETITIVE CONDUCT

Affiliate Transaction Standards

O&R's Commission-approved Standards of Competitive Conduct are set forth below.

Inquiries regarding these Standards of Competitive Conduct should be directed to:

Adam Smiley
Director Ethics & Business Standards
Orange & Rockland Utilities
1 Blue Hill Plaza
Pearl River, NY 10065
(646) 618-4974

This section is included for informational purposes only and is subject to revision only in conformance with orders of the NYPSC.

O&R STANDARDS OF COMPETITIVE CONDUCT

General Principles

The following Standards of Competitive Conduct shall govern Orange and Rockland Utilities, Inc.'s ("Delivery Company") relationship with any energy supply and energy service affiliates, and any other affiliate that is engaged in the provision of retail competitive energy services within the Delivery Company's service territory, including, but not limited to, any affiliate that owns, operates or otherwise provides distributed energy resources ("DER"):

(i) (a) There are no restrictions on affiliates using the same name, trade names, trademarks, service names, service mark or a derivative of a name, of Consolidated Edison, Inc ("Holding Company") or the Delivery Company or in identifying itself as being affiliated with the Holding Company or the Delivery Company. However, no non-affiliate, whether engaged or not in the energy supply and/or energy service business, will be allowed to use the same name, trade names, trademarks, service names, service marks, logos or a derivative of a name of Delivery Company except in the following limited circumstances:

(1) In the event an affiliate business, or the assets of that business, is sold or otherwise is no longer an affiliate, such non-affiliated company will be allowed to use the name, trade names, trademarks, service names, service marks or a derivative of a name of Holding Company or Delivery Company in New York State for a period not exceeding six months, provided that such use is restricted to (i) use of the Holding Company or Delivery Company logo during the pendency of the transition to new ownership (e.g., vehicle and facility signage) and (ii) educating customers

about the sales transaction and the impacts on customers. During that six-month period, Department of Public Service ("DPS") Staff will be given the opportunity to preview any communication using Holding Company or Delivery Company's name or logo that is to be sent from a non-affiliate to Delivery Company's utility customers in New York. Delivery Company shall supply a copy of any such communication to DPS Staff in advance of its actual use. DPS Staff may reject any customer communication it deems not in compliance with this section by providing Delivery Company with written notice of its specific objections. A communication will be deemed acceptable unless DPS Staff objects in a writing received by the Delivery Company within five business days of DPS Staff's receipt of such communication from Delivery Company. DPS Staff and the Delivery Company will work collaboratively to resolve any disagreement as to the content of the communication.

(2) Delivery Company and/or Holding Company may continue to license, in the same manner as Delivery Company and/or Holding Company have done, the Delivery Company and/or Holding Company name, trade names, trademarks, service names, service marks, logos or a derivative of a name of Delivery Company for use in movie and/or television productions.

(3) Delivery Company and/or Holding Company may allow industry organizations of which Delivery Company, Holding Company, or their affiliates are members to use the Delivery Company name, trade names, trademarks, service names, service marks, logos or a derivative of a name of Delivery Company.

(4) Delivery Company and/or Holding Company may license the use of the Delivery Company name, trade names, trademarks, service names, service marks, logos or a derivative of a name of Delivery Company, to a non-affiliate to assist with the marketing of Commission-approved energy efficiency programs.

(b) The Delivery Company will not provide sales leads involving customers in its service territory to any affiliate, including the marketer, and will refrain from giving any appearance in promotional advertising or otherwise that the Delivery Company speaks on behalf of an affiliate or that an affiliate speaks on behalf of the Delivery Company. If a customer requests information about securing any service or product offered within the service territory by an affiliate, the Delivery Company will provide a list of companies of which it is aware operating in the service territory who provide the service or product, which may include an affiliate, but the Delivery Company will not promote its affiliate.

(ii) The Delivery Company will not provide services to its marketing affiliates or customers of its marketing affiliates on preferential terms, nor represent that such terms are available, exclusively to customers who purchase goods or services from, or sell goods or services to, an affiliate of the Delivery Company. The Delivery Company will not purchase goods or services on preferential terms offered only to suppliers who purchase goods or services from, or sell goods or services to an affiliate of the Delivery Company. The Delivery Company will not represent to any customer, supplier, or third party that an advantage may accrue to such customer, supplier, or third party in the use of the Delivery Company's services as a result of that customer, supplier, or third party dealing with any affiliate. This standard does not prohibit two or more of the unregulated affiliates from lawfully packaging their services. The Delivery Company must process all similar requests for distribution services in the same manner and within the same period of time.

(iii) All similarly situated customers, including energy services companies and customers of energy service companies, whether affiliated or unaffiliated, will pay the same rates for the Delivery Company's utility services and the Delivery Company shall apply any tariff provision in the same manner, including those applicable to interconnections and dispatch, if there is discretion in the application of the provision. The Delivery Company must strictly enforce a tariff provision for which there is no discretion in the application of the provision. If the Delivery Company provides to an energy service company or a customer of an energy service company, whether affiliated or unaffiliated, a delivery, billing, metering or other service set forth in its tariff or associated operating procedure, at a discounted or negotiated rate or pursuant to a special arrangement, the Delivery Company will post on its website the information that the Commission requires a utility to file in association with providing a discount or negotiated rate or special arrangement, subject to the Commission's trade secret rules, if applicable, in the same manner and within the same time period for affiliates and non-affiliates.

(iv) The Delivery Company shall use competitive bidding or standard offers for DER procurement until pricing methods acceptable to the Commission become available. The Delivery Company shall engage an independent monitor when an affiliate participates in DER procurement processes.

(v) Unregulated affiliates of the Delivery Company shall not be cross subsidized by the Delivery Company.

(vi) Transactions subject to FERC's jurisdiction over the provision of sales or services in interstate commerce will be governed by FERC's orders or standards as applicable.

(vii) Release of proprietary customer information relating to customers within the Delivery Company's service territory shall be subject to prior authorization by the customer and subject to the customer's direction regarding the person(s) to whom the information may be released.

(viii)

The Delivery Company will not disclose to its affiliate any customer or market information relative to its service territory, including, but not limited to utility customer lists, that it possesses or receives from a marketer, customer, potential customer, or agent of such customer or potential customer other than information available from sources other than O&R, unless it discloses such information to its affiliate's competitors on an equal basis and subject to the consent of the marketer, customer, or potential customer.

(ix) The Delivery Company shall establish a complaint process consistent with the following. If any competitor or customer of the Delivery Company believes that the Delivery Company has violated the Standards of Competitive Conduct established in this section of the agreement, such competitor or customer may file a complaint in writing with the Delivery Company. The Delivery Company will respond to the complaint in writing within twenty (20) business days after receipt of the complaint, including a detailed factual report of the complaint and a description of any course of action proposed to be taken. After the filing of such response, the Delivery Company and the complaining party will meet, if necessary, in attempt to resolve the matter informally. If the Delivery Company and the complaining party are unable to resolve the matter informally within 15 business days, the matter will be referred promptly to the Commission for disposition. These dispute resolution procedures will be posted on the Delivery Company's webpage.

(x) Delivery Company employees shall receive annual training in these Standards of Competitive Conduct and verify the completion of this training. Such training shall include the nature and requirements of confidential information and what information may or may not be shared.

(xi) The Commission may impose on the Delivery Company remedial action for violations of the standards of competitive conduct. If the Commission believes that the Delivery Company has engaged in material violations of the standards of competitive conduct during the course of this Plan, it shall provide the Delivery Company notice of and a reasonable opportunity to remedy such conduct or explain why such conduct is not a violation. If O&R fails to remedy such conduct within a reasonable period after receiving such notice, the Commission may take remedial action with respect to CEI to prevent the Delivery Company from further violating the standard(s) at issue. Such remedial action may include directing CEI to divest the unregulated subsidiary, or some portion of the assets of the unregulated subsidiary, that is the subject of the Delivery Company's material violation(s), but exclude directing the Holding Company to divest the Delivery Company or imposing a service territory restriction on the unregulated subsidiary. If the Holding Company is directed to divest an unregulated subsidiary, it may not thereafter, without prior Commission approval, use a new or existing subsidiary of the Holding Company to conduct within the Delivery Company's service territory the same business activities as the divested subsidiary (e.g., energy services). The Delivery Company and the Holding Company may exercise any and all legal and/or equitable relief from such remedial actions, including, but not limited to injunctive relief. Neither the Delivery Company nor any affiliate or subsidiary will challenge the Commission's legal authority to implement the provisions of this subparagraph.

(xii) The Standards of Competitive Conduct set forth in this Plan will apply in lieu of any existing generic standards of conduct (e.g., the interim gas standards established in Case 93-G-0932) and may be proposed as substitutes for any future generic Standards of Competitive Conduct established by the Commission through the term of this Plan. Unless otherwise ordered by the Commission, the Standards of Competitive Conduct set forth in this Plan will continue to apply after the expiration of the term of this Plan, given the Company's need for stability in rules governing its structure. Before the Commission makes any changes to these standards, it will consider the Company's specific circumstances, including its performance under the existing standards.

(xiii) The rate levels provided for in this Plan cover all royalties that otherwise would be credited to the Delivery Company's customers, at any time, including after the expiration of this Plan.

Standards for Wholesale Regulated Affiliates[1]

(i) The Delivery Company will not disclose to a Wholesale Regulated Affiliate any Confidential Affiliate-Relevant Business Information. Confidential Affiliate-Relevant Business Information is non-public information concerning the Delivery Company's strategic business plans or objectives, the disclosure of which would: (1) give an undue preference or advantage to a Wholesale Regulated Affiliate in the conduct of its business; or (2) is prohibited by FERC. To qualify as Confidential Affiliate-Relevant Business Information, the information must have a direct nexus to the Wholesale Regulated Affiliate's business objectives and be the type of information that would not normally be shared with a non-affiliated third party outside of a potential transaction.

[1] Wholesale Regulated Affiliate - means a Regulated Affiliate that either engages in transactions regulated exclusively by FERC or holds subsidiaries that engage in transactions regulated exclusively by FERC.

Confidential Affiliate-Relevant Business Information does not include long-range planning information and information shared within the context of a potential transaction.

(ii) Neither the Delivery Company nor a Wholesale Regulated Affiliate shall represent to any third party that an advantage may accrue to such third party in the use of the Delivery Company's services by virtue of the third party's relationship with a Wholesale Regulated Affiliate or that an advantage may accrue to such third party in the use of the Wholesale Regulated Affiliate's services by virtue of the third party's relationship with the Delivery Company.

(iii) The Delivery Company will not give any appearance that the Delivery Company speaks on behalf of a Wholesale Regulated Affiliate, or that a Wholesale Regulated Affiliate speaks on behalf of the Delivery Company.

(iv) Transactions subject to FERC's jurisdiction will be governed by FERC's orders or standards as applicable.

Access to Books and Records and Reports

(i) DPS Staff will have access, on reasonable notice and subject to appropriate resolution of confidentiality and privileges, to the books and records of the Holding Company and the Holding Company's majority-owned subsidiaries. DPS Staff will have access, on reasonable notice and subject to the provisions of Appendix E2 regarding confidentiality and privileges, to the books and records of all other Holding Company subsidiaries to the extent necessary to audit and monitor any transactions which have occurred between the Delivery Company and such subsidiaries, to the extent the Holding Company has access to such books and records.

(ii) The Delivery Company will supplement the information that the Commission's regulations require it to report annually with the following information: Transfers of assets to and from an affiliate, cost allocations relative to affiliate transactions, identification of the Delivery Company employees transferred to an affiliate, and a listing of affiliate employees participating in common benefit plans.

(iii) The Holding Company will provide a list on a quarterly basis to the Commission of all filings made with the Securities and Exchange Commission by the Holding Company and any subsidiary of the Holding Company including the Delivery Company.

A senior officer of the Holding Company and the Delivery Company will each designate a company employee, as well as an alternate to act in the absence of such designee, to act as liaison among the Holding Company, the Delivery

Company and DPS Staff ("Company Liaisons"). The Company Liaisons will be responsible for ensuring adherence to the established procedures and production of information for DPS Staff and will be authorized to provide DPS Staff access to any requested information to be provided in accordance with this Plan.

(iv) Access to books and records shall be subject to claims of privilege and confidentiality as set forth in Appendix E of the Settlement Agreement (see footnote 2).

GAS SERVICE TERRITORY

O&R, a wholly owned subsidiary of Consolidated Edison, Inc., is an electric and gas utility headquartered in Pearl River, NY. The Company delivers and sells natural gas throughout Rockland County and portions of Orange County, New York. O&R serves approximately 145,947 gas customers comprised of 133,260, residential customers and 12,687 commercial and industrial customers.

RECEIPT POINTS INTO ORANGE AND ROCKLAND'S DISTRIBUTION SYSTEM

Following is a list of receipt points into O&R's distribution system and the associated upstream pipeline.

AREA RECEIPT POINT	PIPELINE
O&R Station 54 (citygate point)	Columbia Gas Transmission
Suffern #39 (citygate point)	Algonquin Gas Transmission
Stony Point #40 (citygate point)	Algonquin Gas Transmission
Tappan #020201 (citygate point)	Tennessee Gas Pipeline
Pearl River #020293 (citygate point)	Tennessee Gas Pipeline
Warwick #600323 (citygate point)	Millennium Gas Pipeline

ORANGE AND ROCLKAND SERVICE CLASSIFICATIONS

Orange and Rockland Utilities, Inc.'s Schedule for Gas Service, P.S.C. No. 4 - GAS contains Service Classifications and tariff leaves applicable to retail customers receiving sales services (O&R provides both the supply of natural gas and its delivery), retail customers receiving transportation services in the Company's retail choice program (O&R provides only delivery services) and marketers providing commodity services to retail customers. The Service Classifications are summarized as follows:

The rate summaries below present a brief description of the gas rates in effect as of July 25, 2022 and are not meant to represent all tariff provisions applicable to a rate. For information about a particular rate please refer to the Company's Tariff. Tariff changes subsequent to July 25, 2022 are not reflected here.

The detailed requirements for each of these service classifications can be found in the Company's Schedule for Gas Service P.S.C. No. 4 - GAS. The tariff is available on the following Internet sites:

www.dps.state.ny.gov
www.oru.com

EXPLANATION OF SERVICE CLASSIFICATIONS

Customer Size	Service Class	Customer Type	Duel Fuel Capability Required?	Type of Service	Delivery Service Rate	Comments
No Restrictions	SC #1	Residential & Commercial Space Heating	No	Firm Sales	First 3 Ccf or less .... @$22.50 All over 3 Ccf .... @ 87.628¢ per Ccf	Firm general service to Residential customers and space heating service to Commercial and Industrial customer. Rates are monthly - surcharges apply. Residential customers may opt for budget billing under this rate schedule.
No Restrictions	SC#2	General Service	No	Firm Sales	First 3 Ccf or less .... @$35.00 Next 4,997 Ccf .... @ 47.008¢ per Ccf All over 5,000 Ccf .... @ 45.875¢ per Ccf	Firm general service to Commercial and Industrial customers. Rates are monthly - surcharges apply.
Annual usage < 5,000 Mcf	SC#6 Rate Sch IA Rate Sch IB	Residential Commercial/Industrial	No	Firm Transportation	1A (SC1) First 3 Ccf or less .... $22.50 Over 3 Ccf...................... @ 87.628¢ per Ccf 1B (SC2) First 3 Ccf or less .... $35.00 Next 4,997 Ccf .... 47.008¢ per Ccf Over 5000 Ccf .... 45.875¢ per Ccf	Firm transportation of customer-owned gas for customers participating in the Company's Gas Transportation Service Program. Customer must contract with a marketer who had agreed to the terms of and conditions of Service Classification No. 11.
Annual usage > 5,000 Mcf	SC#6 Rate Sch II	Residential Commercial/Industrial	No	Firm Transportation	Applicable to any customer who is not a member of an aggregation group billed under Rate Schedule I above: First 100 Ccf or less.................... @ $255.18 Over 100 Ccf .... @ 45.875¢ per Ccf	Firm transportation of customer-owned gas for customers participating in the Company's Gas Transportation Service Program. Customer must contract with a marketer who had agreed to the terms of and conditions of Service Classification No. 11.
No Restrictions	SC# 7	Natural Gas Motor Vehicles	No	Interruptible Sales or Transportation	By Service Agreement/negotiated 7.	Service to any customer for the purpose of fueling natural gas vehicles. Must be separately metered from all other service taken and cannot be combined with use from any other Service Classification. Customers who own fueling facilities that require firm service will take service under SC No. 2 or SC No. 6.
Annual Usage > 100,000 Ccf	SC# 8	Commercial/Industrial	Yes	Interruptible Transportation	First 100 Ccf or less per monthly billing period:	Interruptible transportation service for customer-owned gas. Interruptible at the Company's option on not less than 4 hours notice. Customers must have

					$157.00 effective April 1, 2025 $160.00 effective January 1, 2026 $ 164.00 effective January 1, 2027 Next 49,900 Ccf at the Base Charge plus 5.0¢ per Ccf Next 50,000 Ccf at the Base Charge plus 2.5¢ per Ccf Over 100,000 Ccf at the Base Charge The Base Charge shall not be less than $0.010 per Ccf. The Base Charge shall not exceed $0.2980 per Ccf for the 9 months ending December 31, 2025, $0.3210 per Ccf for the 12 months ending December 31, 2026, and $0.3490 per Ccf thereafter until the Company's base rates are next reset.	installed alternative fuel capability. Customers must be located adjacent to the Company's existing gas distribution system and must have adequate capacity to meet prospective requirements. Customers can also purchase Supplemental Sales under this Service classification.
No Restrictions	SC# 9	Electric Generation Facilities IPPs	Yes	Firm Withdrawable Transportation	By Service Agreement/negotiated	Transportation of customer-owned gas used for the purpose of fueling an electric generation facility owned by an Independent Power Producer or Qualifying Facility. Subject to interruption at not less than 2 hours notice. Customers must be located adjacent to the Company's existing gas distribution system, connected to the gas distribution/transmission system, and must have adequate capacity to meet prospective requirements. Customer must negotiate and execute a service agreement with the Company. Customers can also purchase Supplemental Sales under this Service classification.
Marketers/Seller or Direct Customers > 3,500 Mcf per Year	SC#11	Marketer/Sellers Commercial/Industrial	NA	Firm Delivery	Delivery of Seller, Direct Customer, or customer-owned gas to customers taking service under SC#6	Applicable to Qualified Sellers or Direct Customers operating under the provisions of the Company's Gas Transportation Service Program using interstate pipeline capacity released by the Company serving Retail Choice customers pursuant to Service Classification No. 6.

Marketers/Seller or Direct Customers	SC#13	Marketer/Sellers Commercial/Industrial	NA	Interruptible Delivery	Delivery of Seller or customer-owned gas to customers taking service under SC#8 or SC#9	Applicable to Qualified Sellers or Direct Customers qualified under Service Classifications No. 8. Marketers are responsible for balancing the deliveries with the actual usage of customers at the receipt points on a daily and monthly basis. The Company aggregates a Marketer's deliveries and customers' usage for the purpose of determining imbalances. Imbalances may be traded between marketers and/or direct customers on a daily and monthly basis.
No Restrictions	SC#14	Electric Generation Facilities IPPs	Yes	Withdrawable Transportation	By Service Agreement/negotiated	Applicable to electric generation facility having dual fuel capability and a capacity of 50 MW or greater which is located adjacent to the Company's existing gas distribution mains having adequate capacity to supply the customer's prospective requirements and connected to the gas transmission system. Subject to interruption no less than 2 hours notice.

GAS CUSTOMERS AND SALES

Orange and Rockland Utilities, Inc.
Gas Customers and Sales
Twelve Months Ended December 31, 2025

Customer Class	No. of Customers	Annual MCF Sales
Sales Service		
Residential	123,516	13,221,083.3
Commercial		
General Service	4,004	1,861,978
Space Heating	5,489	941,822
Dual Fuel	0	0
Industrial		
General Service	26	93,457.2
Space Heating	6	4,282.6
Dual Fuel	0	0
Interruptible		
Total Sales Service	133,041	16,122,623.1
Transportation Service		
Residential	10,021	186,791
C&I (Non-residential)	2,827	471,529
Interruptible	58	121,363.9
Total Transportation	12,906	779,683.9
IPP/ Special Contract		
Grand Total	135,868	3,132,890.8

GAS DELIVERY MANAGEMENT PROCEDURES FOR FIRM RESIDENTIAL, COMMERCIAL INDUSTRIAL CUSTOMERS

A. Customer Eligibility

All O&R customers shall be eligible to contract with a marketer for gas supply. The annual volume scheduled to be transported shall not be less than 3,500 Mcf for an individual (direct) customer or 3,500 Mcf for an aggregate group of customers served by a common Marketer. Said usage level must have been maintained for each of the two twelve-month periods preceding application for service. For a customer without two years of billing history, annual usage will be determined by the Company in consultation with the Marketer, as appropriate.

A customer is limited to one Marketer of gas for each account for which the customer receives transportation service under Service Classification No. 6. A direct customer must meet the requirements of a Marketer as specified in O&R's Tariff, Service Classification No. 11.

B. Delivery Quantity Determination Procedures

Effective April 1, 2016, the WBS Service Option will be mandatory for all customers. The terms and conditions of the WBS Service Option, including the terms and conditions of the Cash-Out as applicable WBS Service, are set forth below.

An Aggregated Daily Contract Quantity ("ADCQ"), stated in dekatherms (Dths), shall be calculated monthly for each Marketer taking service under Service Classification No. 11 in accordance with the provisions therein. The ADCQ represents the volume of gas the Marketer is required to deliver to the Company's city gate each day.

C. Standard Service Option

For Standard Service Option customers, the Daily Contract Quantity ("DCQ") for each calendar month shall be calculated by the Company by dividing each customer's weather normalized usage for each month of the most recent twelve billing months by the total number of days in each billing month and restating the billing month usage on a calendar month basis. The Company may adjust each customer's DCQs during the year due to changes in the customer's gas equipment or pattern of usage. For new customers, the initial monthly DCQ will be estimated by the Company based on the rating of the customer's gas-fired equipment and the expected utilization of such equipment. The daily DCQs determined, as set forth above, reported on a volumetric basis shall be aggregated by month for each of the twelve months for all Standard Service Option customers within a Seller's Aggregation Group. The result obtained shall be the monthly ADCQ. The monthly ADCQ shall be multiplied by the Company's factor of adjustment as defined in General Information Section 12 of the Tariff and then converted to an energy basis by using the conversion factor shown in the Statement of Monthly Gas Adjustment. The highest ADCQ determined in the twelve-month period is the ("MAX ADCQ"). Seller shall be obligated to deliver the ADCQ each day during the month.

Monthly Cash-out

For each month the Company will calculate the difference between the seller's Standard Service Option customer's actual usage and the ADCQ multiplied by the number of days in the billing period. If there is an imbalance at the end of the month, the over-delivered volumes will be purchased by the Company from the seller and the under-delivered volumes will be sold by the Company to the seller at a rate equal to the monthly average of the daily "Midpoint" rate of the Tennessee Zone 4 Marcellus, Millennium East Pool, Texas Eastern M3, and Columbia Appalachian Pool receipts points for such month as published in Gas Daily in the table "Daily Price Survey". The Standard Service Option will no longer be available effective April 1, 2016.

D. Winter Bundled Sales Service Option

For customers electing the Winter Bundled Sales ("WBS") Service Option pursuant to Service Classification No. 6, the Company will provide to the seller the Winter Bundled Sales Volume ("WBSV"), the ADCQ, and the MAX ADCQ for its customers as defined and determined in the manner set forth below:

1. The WBSV shall be equal to the sum of the WBS gas allocated to each customer in Seller's Aggregation Group multiplied by the Company's factor of adjustment as defined in General Information Section 12 of the Tariff and then converted to an energy basis by using the conversion factor shown in the Statement of Monthly Gas Adjustments. The seller is required to purchase the WBSV from the Company during the period November through March (winter period) in accordance with the provisions set forth below. Each customer will be allocated a portion of the WBSV based on the percentage of the Company's system gas requirements that are served by storage service. If there is a change in the percentage of the Company's system requirements that are met through storage service, the new percentage will be used to re- determine the allocated volume of WBSV the following April. WBSV is to be measured in Dths.

2. The ADCQ shall be equal to the sum of the DCQs required each month for all Winter Bundled Sales customers in Seller's Aggregation Group. The ADCQ for the period April through October (summer period) is the volume of gas the Seller is required to deliver to the Company's citygate each day to serve its customers' average daily use during the month, based on the sum of the Seller's customers' prior year's weather- normalized daily gas usage for the same month. The ADCQ for the period November through March (winter period) is the volume of gas that the Seller is required to deliver to the Company's citygate each day. The ADCQ is based on the sum of the Seller's customers' prior year's weather-normalized daily gas usage for the same month, less a daily amount of WBS gas to be purchased by the Seller from the Company.

3. The MAX ADCQ is the maximum daily amount Seller will be required to deliver in any winter month to the Company's citygate for all customers in the Seller's Aggregation Group. The MAX ADCQ is also the amount of daily pipeline capacity that must be obtained by the seller for all customers in the Seller's Aggregation Group. Each month, a Seller will be obligated to deliver to the Company's citygate the ADCQ specified by the Company for all customers in the Seller's Aggregation Group that elect the Winter Bundled Sales Service Option. During the winter period, the Company shall deliver the WBSV, divided by the factor of adjustment contained in General information section 12 of the Company's Tariff, to Seller's customers based on the schedule set forth below. The Seller shall purchase the WBSV at the rates set forth below. The WBS gas delivered to customers shall be defined as the first gas through the meter each day of the winter period.

Month	Amount Delivered As a % of WBSV
November	10%
December	20%
January	25%
February	25%
March	20%

4. If a Marketer subscribes to Winter Bundled Sales Service (“WBSS”) for an upcoming Winter Period (November 1 – March 31), the Marketer’s firm transportation capacity requirements needed to serve its Firm Transportation Customers shall be reduced to recognize the portion of the MDQs of gas that are being provided by the Company under WBSS during the Winter Period.

Monthly Cash-out

For each month the Company will calculate the difference between the seller's WBSS Option customer's actual usage and the ADCQ, adjusted for WBS volumes, multiplied by the number of days in the billing period. If there is an imbalance at the end of the month, the over-delivered volumes will be purchased by the Company from the seller and the under-delivered volumes will be sold by the Company to the seller at a rate equal to the monthly average of the daily “Midpoint” rate of the Tennessee Zone 4 Marcellus, Millennium East Pool, Texas Eastern M3, and Columbia Appalachian Pool receipts points for such month as published in Gas Daily in the table “Daily Price Survey.”

RATE MONTHLY

In addition to any applicable charges for released capacity, seller's monthly cost for each customer in the Seller’s Aggregation Group electing the WBSS Option shall be:

1. a monthly charge for WBS gas purchased consisting of a commodity charge, variable transportation and storage charges, and carrying charges on the cost of WBS gas, which shall be determined by using the effective Other Customer Capital Rate prescribed by the Commission. The commodity charge for the WBS gas will be equal to the weighted average cost of the Company’s overall gas portfolio, excluding LNG and peaking supplies, as determined at the start of each WBS month (November through March). Variable storage charges shall consist of injection and withdrawal charges for pipeline storage facilities for the period at the applicable rates and charges of each applicable pipeline. Variable transportation costs shall consist of the variable transportation costs associated with the Company’s overall gas portfolio, excluding LNG and peaking supplies, as determined at the start of each WBS month (November through March).

2. All rates and charges under Service Classification 11 will be increased pursuant to General Information Section 15 of the Company’s Tariff.

The rate for firm pipeline capacity and WBS gas purchases shall be as set forth in the Statement of Rates to Qualified Sellers and Firm Transporters of Gas Applicable to Service Classification No. 11 and the Statement of Winter Bundled Sales Service Applicable to Service Classification No. 11 filed with the Commission each month.

E. Capacity Assignment/Use Procedures

A Marketer must obtain firm upstream pipeline capacity equal to its MAX ADCQ as defined in the Balancing Service Option and WBS Service Option set forth above. A Marketer must use such capacity to serve its firm transportation customers behind the Company's citygate during the months of November through March ("winter period") when the temperature is forecasted to be below the level identified in an e-mail sent by the Company. On or before November 1 of each year, the Company will notify Marketers of such temperature level via an e-mail to a contact person or persons identified by each Marketer. Marketer shall identify the appropriate contact person for this e-mail in writing.

Mandatory Capacity Release Service

On or before August 15 of each year, the Company will provide to Marketers by e-mail the pipeline paths and percentage of capacity to be released on each path for the upcoming Capacity Release Year, i.e., from November 1 through the following October 31.

A Marketer serving its firm transportation customers by taking capacity from the Company must execute the Capacity Release Service Agreement ("CRSA") which is attached hereto in Appendix A. The CRSA must be executed within 20 calendar days of receipt from the Company of the capacity allocations available for the upcoming Capacity Release Period.

A Seller and/or its Agent/Designee ("Agent") must contract for firm upstream pipeline capacity under the terms and conditions of SC 11 for the period commencing November 1 and extending to October 31 of each year (the "Capacity Release Period"). A Seller and/or its Agent must contract for such capacity equal to the Maximum Aggregated Daily Contract Quantity ("MAX ADCQ") (as defined in the Balancing Service Option and Winter Bundled Sales Service Option above) to serve the needs of Seller's firm transportation customers served under SC 6. A Direct Customer must contract for such capacity to supply gas to itself under SC 6. Seller and/or its Agent must use such capacity to serve Seller's firm transportation customers behind the Company's citygate during the months of November through March when the temperature is forecast to be below twenty-five degrees.

Sellers and/or their Agents taking service hereunder will be notified of the prescribed temperature in accordance with the Company's Gas Transportation Operating Procedures. Available pipeline capacity will be released by the Company directly to Seller and/or its Agent in accordance with the terms and conditions of the interstate pipeline's FERC gas tariff and the rules and regulations of the FERC. Capacity will be allocated to Sellers in accordance with the Company's Gas Transportation Operating Procedures. Sellers and their Agents, if applicable, must execute a CRSA for capacity prior to the start of each capacity release period.

Deadlines for executing this CRSA may be found in the Company's Gas Transportation Operating Procedures or will be directly communicated to Sellers by the Company. If a Seller has a net increase in its firm load (as confirmed by the Company), after the date the Seller and its Agent, if applicable, execute a CRSA hereunder for a Capacity Release Period, the Company will release to the Seller and/or its Agent such additional capacity to meet that net increase. Firm interstate pipeline capacity will be released to the Seller and/or its Agent at the Company’s Weighted Average Cost of Transportation (“WACOT”). The Seller and/or its Agent shall be directly billed by the pipeline for such capacity and will be responsible for paying the pipeline for such charges.

F. Nomination Procedures

Marketer shall comply with the Nomination Procedures established below:

a. 10 business days prior to the first of the month, Marketer must inform the Company of all customers to whom the Marketer is discontinuing service.

b. 10 business days prior to the first of the month, for deliveries to commence on the 1st of the following month, Marketer must submit enrollment files for new enrolled customers in Marketer’s Aggregation Group electing either the Balancing Service Option or the WBS Service Option. Such notification shall be made in an electronic format prescribed by the Company.

c. By the 24th of each month, the Company will provide an ADCQ and MAX ADCQ to Marketer. If applicable, the Company will also provide a WBSV.

d. By the 24th of each month, the Company will notify Marketer of firm pipeline capacity path for Marketer’s capacity.

e. By the 26th of each month, Marketer must notify the Company of any changes or corrections to its Aggregation Group. The Company will only change or correct the list of customers and their respective DCQs prior to the next month if a good faith dispute arises concerning the respective Marketer’s list due to a discrepancy with Marketer’s submissions of its newly enrolled customer list.

f. By the 26th of each month, the Company will post all firm pipeline capacity to be released to Marketer on the appropriate pipeline electronic bulletin boards.

Marketer will be credited for deliveries to the Company on each day in accordance with the daily volume confirmation(s) of the interstate pipeline(s) utilized by Marketer.

G. Charges, Surcharges and Penalties

The following charges are applicable to Marketers providing service to customers served by the Company under Service Classification No. 6 and by customers acting as Direct Seller thereunder. This list is for informational purposes only. Charges applicable to Service Classification No. 11 are fully outlined in the Company's gas tariff:

a. Firm interstate pipeline capacity will be released to the Marketer at the Company's WACOT. Marketer shall be directly billed by the pipeline for such capacity and will be responsible for paying the pipeline for such charges.

b. Balancing Service Option Charges: For balancing the difference between the Marketer's ADCQ and the Marketer's customers' actual usage, Marketer shall cash out volumes from month to month, under the terms and conditions set forth for "Balancing Service Option" set forth above.

c. Winter Bundled Sales Service Charges: Such charges are as set forth above.

d. Daily Cash Out Charges and Penalties: Subject to the Force Majeure provisions in Service Classification No. 11, on any day Marketer delivers a volume other than the ADCQ, Marketer shall be subject to a daily cashout and/or penalties as provided in Special Provision A of Service Classification No. 11. The Marketer will be cashed out at a rate equal to a gas cost equal to the monthly average of the daily "Midpoint" rate of the Tennessee Zone 4 Marcellus, Millennium East Pool, Texas Eastern M3, and Columbia Appalachian Pool receipts points for such month as published in Gas Daily in the table "Daily Price Survey"

e. Operational Flow Order ("OFO") Penalty: If Marketer fails to comply with an OFO issued by the Company, a penalty of $25 per dekatherm will be assessed on all volumes delivered in violation of the OFO.

f. Charge to Suspend Service: The charge for the Company to suspend service to a customer at the request of a Marketer is $22.00. The terms and conditions applicable to such suspension are set forth in Special Provision (J)(1) of Service Classification No. 11.

g. Charge to Calculate Bundled Bill: To enable a Marketer to determine the lowest amount that a customer must pay to end a suspension of delivery service, the Company shall charge Marketer $3.75 for each residential account on which the Marketer requests the Company to calculate what it would have charged had the customer purchased its gas supply from the Company. The charge will be assessed pursuant to the terms and conditions set forth in Special Provision (J)(2) of Service Classification No. 11.

h. Billing Charges: The Company’s charge for its billing services is set forth in Generation Information Section 6.5(2)(B) of its gas tariff.

GAS DELIVERY MANAGEMENT PROCEDURES FOR INTERRUPTIBLE CUSTOMERS

Customers electing interruptible transportation service under this Service Classification must be located adjacent to the Company's existing gas distribution mains having adequate capacity to supply 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, prior to construction, the estimated cost of expanding its distribution system to make it adequate for service hereunder and who agree to:

(a) interruption of service at any time at the Company's option on not less than four hours notice;

(b) install and maintain facilities for using alternate fuels during interruptions;

(c) not use service supplied hereunder in any equipment, which is supplied with gas service under any other Service Classification except as specified herein.

Customers commencing service after November 1, 2006 must, in addition to the other requirements in Service Classification No. 8, demonstrate to the Company’s satisfaction annual gas consumption of at least 100,000 Ccf at a single meter.

Marketers providing interruptible transportation service and Direct Customers must meet the eligibility and creditworthiness requirements set forth in the UBP, including the requirements of Section 3 therein, and must execute an application for service.

O&R’s New Business Department is the initial customer contact for inquiries regarding customer requests for gas transportation access. New Business’ telephone number: (845) 577-3324.

An O&R representative from the New Business department shall visit the customer's facility to ensure that the customer has adequate facilities to comply with O&R's filed tariffs. The customer shall be given written notice of compliance issues under the desired gas transportation rate.

Customers shall provide in writing that they in fact comply with equipment/alternate fuel requirements before a customer is allowed to transport gas on O&R's system.

The Company shall send an annual letter by September 15 to gas interruptible customers reminding them of the upcoming pending interruption season and notifying the customer of any new tariff provisions.

A. Customer Eligibility

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 to enable the customer to operate satisfactorily such equipment without gas whenever and so long as service under Service Classification No. 8 is interrupted, including replenishing such fuel inventory during and after an interruption, to the extent necessary.

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

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 compliance with a planned interruptions or Reliability Performance test to test customer's alternate fuel or alternate energy facilities. The customer must comply with any such planned interruption. "Reliability Performance Test" shall mean a test, conducted in the month of January, of an interruptible customer's ability to switch from gas to alternate fuel or cease using gas within 24 hours of receiving notice from the Company.

Reserve Requirements:

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

All Distillate Users and Human Needs Customers shall have a ten days supply of alternate fuel/alternate energy source. 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/alternate energy source provider to supply the customer for the difference between its on-site supply and the ten days of required alternate fuel supply/alternate energy source.

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 and 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.

Process load customers (as defined in the tariff) who elect the Shut Down Option must execute and submit to the Company by October 1 each year an affidavit, in the form included in Appendix A attached to this GTOP Manual, attesting to the customers commitment to shut down its operations during periods of interruption in lieu of maintaining an alternate fuel supply. If a customer who elects the Shut-Down Option fails to interrupt its use of gas during a period of interruption, the Company may, at its sole discretion, physically shut down the customer's gas service. In addition to any other applicable charges associated with such failure to interrupt, the customer must reimburse the Company for any costs incurred to perform the physical shutdown and the customer will incur a violation towards the two-violation rule.

Customers not participating in the Shut Down Option and commencing service after December 1, 2001, must, in addition to meeting the above-described requirements, have three (3) days or more of on-site inventory of alternate fuel/alternate energy source, based on the customer's peak winter requirements. Other interruptible customers must maintain reserve levels acceptable to the Company.

A customer that fails to meet the above-stated reserve/alternate energy facility requirement shall be subject to an additional charge equal to the greater of a) 130% of the cost of its alternate fuel, based upon an average New York City "posted tank wagon delivery – fuel oil" cost for fuel oil as published in the Journal of Commerce on the first day of the month commencing November 1 and continuing until such month as the customer is in compliance or b) 130% of the rates charged by the Company for service under Service Classification No. 8. This additional charge shall be applied to all gas consumed during the billing period, excluding any Firm Base Load volumes, in which there is non-compliance and for any subsequent billing periods during which the non-compliance continues.

B. Delivery Quantity Determination Procedures/Nominating Procedures/ NAESB Standards/Normal, Weekend, Holiday Scheduling

1. Gas Scheduling/Scheduled Volumes:

Prior to the twenty-fifth day of each month for service to commence on the first calendar day of the following month, the Marketer/Customer shall provide to the Company information necessary to ensure the Company will be able to provide the service requested. Such information shall include:

(a) The service requested for the month, i.e., Supplemental Sales Service or Interruptible Transportation Service; and if Interruptible Transportation Service is requested, the following:

(b) The name of the pipeline company that will deliver the customer's gas to the Company;

(c) The customer's maximum hourly usage;

(d) The maximum daily volumes to be transported;

(e) A schedule of anticipated monthly volumes to be transported;

(f) Any additional information, as requested by the Company, that the Company is required to furnish to pipeline companies that are transporting or will transport gas to the Company for the customer's account.

The Company shall not be required to accept delivery of or to transport any volumes in excess of the maximum daily volumes the customer has requested be transported. Customer may request an increase in maximum daily volumes during the term of service. The Company shall, if it is operationally able, accept and transport the higher volume.

All nomination schedules must include detailed upstream information for the purpose of tracking gas deliveries on a daily basis. Marketer/Customer must include the upstream shipper name(s) on daily nomination schedules in order for O&R to track and confirm all gas deliveries. Failure to provide this information may result in gas being unconfirmed on the Marketer/Customer behalf.

2. Loss Adjusted Usage:

The customer/Marketer shall deliver additional gas to compensate the Company for losses incurred in transporting customer’s gas. The total quantity of gas to be delivered shall be equal to customer’s metered usage multiplied by the factor adjustment as defined in General Section 12 of the Company’s gas tariff.

3. Nomination Procedures:

Marketer shall be required to abide by the Nomination Procedures established below:

(a) Prior to the 25th of the month, each customer must notify the Company of its Marketer for deliveries to commence on the 1st of the following month.

(b) By the 25th of each month, for deliveries to commence on the 1st of the following month, Marketer must provide the Company a list by customer name and account number of the customers in Marketer’s Aggregation Group.

(c) Daily nominations will be accepted in accordance with the transporting pipeline's nomination deadlines. The NAESB Daily Nomination Cycles are included below.

(d) In order to transport gas beginning on the first day of a calendar month, Marketers must nominate to O&R by the 25th day of the preceding month.

(e) All nominations received by O&R will be considered accepted unless the Marketer is notified by O&R of a change.

Daily nominations must be submitted to O&R through the Company's Transportation Customer Information System ("TCIS").

All intraday changes during non-business hours, on weekends or on Company-observed holidays must be communicated to the Gas Control Center at (718) 794-2889 or (718) 794- 2 and followed with an email to gasnominations@oru.com.

4. **NAESB Standards:**

Transaction schedules and procedures upstream of the Company's citygate are controlled by the FERC Regulations and NAESB Standards. The following table shows the current NAESB Daily Nomination Cycle.

Daily Nomination Cycle - Eastern Time (Central Time)

Nomination Type	**Deadline** for Shipper Nomination	**Deadline** Upstream/Downstream Confirmation	**Deadline** for Scheduled Quantities or Bump Notice	**Effective** Time to Flow Gas
Timely Nomination	12:30 p.m. (11:30 a.m.)	4:30 p.m. (3:30 p.m.)	5:30 p.m. (4:30 p.m.)	10:00 a.m. (9:00 a.m.)
Intra-Day 1 Nomination	11:00 a.m. (10:00 a.m.)	2:00 p.m. (1:00 p.m.)	3:00 p.m. (2:00 p.m.)	6:00 p.m. (5:00 p.m.)
Intra-Day 2 Nomination	6:00 p.m. (5:00 p.m.)	9:00 p.m. (8:00 p.m.)	No Bumping	10:00 p.m. (9:00 p.m.) (same gas day)
Evening Nomination	7:00 p.m. (6:00 p.m.) 10:00 p.m.	(9:00 p.m.)	11:00 p.m. (10:00 p.m.)	10:00 p.m. (9:00 p.m.)

5. **Gas Balancing:**

Balancing – Daily/Monthly, Tolerances, Trading, Penalties

A customer transporting under the Company's Service Classification No. 8 is required to

(a) balance the volumes delivered to the Company with actual usage each day and monthly within the tolerances specified in the Company's tariff or (b) elect to have a gas Marketer or broker approved by the Company perform the balancing service pursuant to Service

Classification No13. For customers electing (b) above, the over-delivery and under-delivery charges will be billed to their Qualified Marketers and the Qualified Marketers will be primarily responsible for such charges. If for any reason a Qualified Marketer does not pay the under-delivery or over-delivery charges, however, the Company retains the right to bill the customer for such charges.

Over- and Under-Delivery Charges

If the amount of gas delivered to the Company by a customer electing interruptible transportation service under Service Classification No. 8 varies from the amount of gas used by the customer on a daily basis, the customer will have an over-delivery or an under-delivery. If on any day the over-delivery or under-delivery is less than 5% 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 5% 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.

Over-deliveries - Daily

Beginning November 1, 2016 if on any day a customer's over-delivery is greater than 5% of a customer's loss adjusted actual usage, the over-delivered volumes in excess of 5% 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 simple average of the daily Algonquin, city-gates and Millennium-East midpoint price index on the day on which the over-delivery occurs.

For Over-deliveries	Rate
>5% up to and including 10%	90% of Index Price
>10% up to and including 20%	80% of Index Price
>20% - Winter	60% of Index Price
>20% - Summer	70% of Index Price

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 the lower of the monthly average of the daily Algonquin, city-gates and Millennium-East midpoint prices or the average of the Algonquin, city- gates and Millennium-East First-of-Month Low Range Price as published in Platt's Gas Daily.

<u>Under-deliveries - Daily</u>

If on any day a customer's under-delivery is greater than 55% of a customer's actual loss adjusted usage, the under-delivered volumes in excess of 5% 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 a rate equal to the simple average of the daily Algonquin, city-gates and Millennium-East midpoint price index on the day on which the over-delivery occurs.

For Under-deliveries	Rate
>5% up to and including 10%	110% of Index Price
>10% up to and including 20%	120% of Index Price
>20% - Winter	140% of Index Price
>20% - Summer	130% of Index Price

<u>Under-deliveries - Monthly</u>

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 the higher of the monthly average of the daily Algonquin, city-gates and Millennium-East midpoint prices or the average of the Algonquin, city-gates and Millennium-East First-of-Month High Range Price as published in Platt’s Gas Daily.

6. **Imbalance Trading:**

Marketers and Direct Customers shall be permitted to trade imbalances on both a daily and monthly basis in accordance with the provisions below. For the purposes of this provision, the term "Marketer" shall refer to both Marketers and Direct Customers.

(a) Daily Imbalance Trading

The Company shall post imbalance information on its TCIS Internet site. The posting will include a list of Marketers with telephone and e-mail information, the pipeline on which the imbalance occurred, and a + or – sign to indicate the direction of each Marketer’s imbalance for that given day. The actual daily imbalance for each Marketer listed will not be disclosed. It will be the responsibility of the Marketer to review the imbalance site and to contact those Marketers with whom a daily imbalance trade appears feasible. Imbalance information will be posted by 4:00 p.m. Monday through Friday for gas days ending on a business day. Imbalance information for gas days ending on Saturday, Sunday or on a Company-observed holiday will be posted on the following business day. Marketers will have three business days from the time of the posting to contact the Company, via the TCIS Internet application, with their imbalance trading results. Imbalance trading results must be authorized by both trading partners in order to be considered valid by the Company.

Daily imbalance volumes traded must be from the same gas day and delivering pipeline to the Company's system.

Any volumes not traded on a daily basis shall be subject to Over- and Under- delivery Charges in accordance with Service Classification No. 13.

A fee of $5.00 shall be assessed per party, per trade. If two parties engage in, and provide the Company with a single notice of, up to three daily trades during a single 72-hour notification imbalance trading period, such trades shall be considered a single trade for the purpose of assessing the $5.00 fee.

(b) Monthly Imbalance Trading

By 4:00 p.m. on the second business day of each month, the Company will post monthly imbalance information from the previous month on its TCIS Internet site. The posting will include a list of Marketers with telephone and e-mail information, the pipeline on which the imbalance occurred, and a + or – sign to indicate the direction of each Marketer’s imbalance for the prior month. The actual monthly imbalances of Marketers will not be disclosed. It will be the responsibility of the Marketer to review the imbalance site and to contact Marketers with whom a monthly imbalance trade appears feasible. Marketers will have three business days from the time of the posting to contact the Company with their imbalance trading results. Imbalance trading results will be communicated back to the Company via an Internet application. Imbalance trading results must be authorized by both trading partners in order to be considered valid by the Company. Trading results not received within the three business day period will not be processed by the Company.

Any volumes not traded on a monthly basis shall be subject to Over- and Under- delivery Charges in accordance with Service Classification No. 13.

7. **Imbalance Reports:**

On a daily basis, the Company will post via the TCIS Internet site daily imbalance reports to all SC 8, SC 9 and SC 13 participating marketers which reflect a daily summary of cash-out information (percentage of over- and/or under-deliveries) based on what each customer’s actual Mcf usage was for the day prior against how much the marketer delivered in mcfs on behalf of each customer for the day prior.

C. Penalties for Failure to Interrupt

In addition to penalties for failure to maintain alternate fuel reserves and alternate fuel/energy facilities described in Section (A) herein, customers are subject to penalties for unauthorized use of gas during an interruption or test period and violations of the Company's two-violation rule. The Company's penalties for failure to interrupt are outlined in detail in Special Provision (G) of Service Classification No. 8 in the Company's gas tariff.

D. Supplemental Sales Service Charge

All Mcf delivered to a customer as Supplemental Sales Service shall be subject to SC 8 Parts (1), (4), and (5) of RATE – MONTHLY plus the Supplemental Sales Supply Charge as set forth on the "Statement of Interruptible Transportation and Supplemental Sales Charges" filed with the Commission each month.

E. 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 of interruption without incurring penalties under Service Classification No. 8 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 of the Company's Gas tariff. Declared Firm Base Load volumes will remain fixed for a period of one year.

F. Marketer Communication Notices

On an as required basis, the Company will develop and forward marketer communication notices, notifying marketers of important and timely updates pertinent to the daily operations of interruptible gas transportation such as, but not limited to, notification of interruptions and required operating instructions during interruptions.

The Company's Customer Energy Services Department is responsible for communications with the Marketers/Direct Customers regarding interruptions and related operating requirements. The email address: retailchoice@coned.com Notifications of interruptions will be provided to Marketers/Direct Customers at least 4 hours prior to the effectiveness of the interruption and will be communicated by e-mail, text message and through TCIS as set forth herein. Notices, to the extent possible, will include information on the purpose (i.e., supply or distribution related) and anticipated length of the interruption. Notices on other operational issues will be provided on an as-needed basis.

G. Customer Communication Notices

The Company will provide at least four hours advance notice of a service interruption to interruptible customers by telephone, email and by text message. The customer must provide the Company with at least three individuals to contact for interruption notifications. The advance notice contacts must be updated annually by the customer.

The automated communications will provide the date and time of an interruption and any necessary Company contact information.

The customer must provide telephone numbers and email addresses for both normal business and non-business hours, including weekends and holidays, which the Company will use to notify the customer of any interruption. The customer's telephone system must not require an extension or be connected to an answering machine.

The customer will promptly notify the Company of any change in the customer-provided contact information by contacting the customer's designated O&R Major Account Engineer in writing. Any change of contact information will not relieve the customer of its responsibility to interrupt its gas usage during a Company interruption.

The Company will commence daily communications with all demand response parties as soon as weather forecasts project outside temperatures to be 15 degrees or below for the upcoming three consecutive days or during times when three days of consecutive customer interruptions occur.

The Company will implement daily communication with demand response customers during an interruption and, at a minimum, at least one time at the end of every interruption to remind customers to replenish alternate fuel inventories as needed to maintain minimum alternate fuel levels.

H. Pipeline Reconciliation

Daily

On a daily basis, during the five-day workweek, the Company, as a courtesy, will notify all SC13 Marketers of any discrepancies occurring with nominated pipeline deliveries.* The Customer Energy Services Department will act as the liaison between the Marketers and the Gas Control Center in reconciling discrepancies between what the pipeline reports have confirmed as delivered on behalf of each Marketer with what the Marketer intends to nominate. Further, the Customer Energy Services Department will coordinate with the Marketers in performing intra-day changes. Changes after normal work hours, or on weekends or holidays, are to be made to the Gas Control Center at 718-794-2889 or 718-794-2891.

> **While O&R will notify Marketers of any pipeline discrepancies that may occur, it is not only encouraged, but expected, that marketers review their daily nominations against pipeline deliveries in an effort to ensure timely correcting reconciliation of such discrepancies.*

Monthly

On a monthly basis, the Company will – for billing purposes -- confirm and reconcile end-of-month pipeline deliveries for each Marketer and will bill each Marketer based on what each pipeline has confirmed as delivered for the month. If a discrepancy occurs in what the pipeline(s) confirmed as delivered for the month against what a Marketer's end-of-month nomination schedule reflects, the Marketer will be notified. In such instances where a discrepancy occurs and it is determined that the discrepancy is a result of the pipeline's (not the Marketer's) nomination error, a retroactive adjustment may be made in a timely manner with the cooperation of the pipeline.

On a monthly basis, the Company will – for billing purposes -- confirm and reconcile customer usage data based on confirmed Automated Meter Interface ("AMI") account usage billing reports adjusted for losses. If customer usage is revised during any given month, the customer's Marketer will be notified by the Company providing the Marketer with an updated imbalance report (via electronic transmittal) reflecting the corrected usage data, along with a copy of the customer's monthly AMI usage report.

I. Summary of Applicable Fees, Charges and Penalties

Interruptible transportation customers will be billed a base charge per O&R tariff.

The Base Charge per 100 cubic feet (Ccf) shall be established each month at the Company's discretion, not less than three working days prior to the first day of the billing period for which such Base Charge is to be effective.

The Base Charge shall not be less than $0.010 per Ccf.

The Base Charge shall not exceed $0.0268 per Ccf for the 8 months ending December 31, 2022, $0.270 per Ccf for the 12 months ending December 31, 2023, and $0.275 per Ccf these rates are in effect until the next rate case has been approved.

COMMUNICATIONS PROTOCOLS

The procedures and protocols described in this section are to be used by the Company, Marketers/Direct customers and pipelines as a vehicle for assuring ongoing communications between the parties in furtherance of the continuation of reliable gas service. Participation of all parties in an effective communication system will reduce errors and ensure that all parties understand and properly fulfill their responsibilities. Communication among the Company, Marketers and Direct Customers will occur on a regular basis through an annual "Reliability Forum" and telephone conference calls and on an as-needed basis through telephone, fax, e- mail and face-to-face meetings depending upon the circumstances and subject matter. Orange and Rockland will conduct, at least once a year, prior to the winter season, a test of communication procedure to verify e-mail and telephone contact numbers.

O&R Website

Marketers and Direct Customers serving O&R transportation customers must have computer Internet access. Orange and Rockland's Internet website is located at:

www.oru.com

Orange and Rockland will post on its Internet website the name, address, telephone and e-mail address of the contact persons at the Company responsible for the following gas transportation functions:

- Retail Choice sales and related regulatory activities;
- marketer billing and credit;
- media relations;
- gas supply and systems operations;
- contacts for responding to System Alerts and OFOs; and
- personnel contacts 24 hours a day, weekdays, weekends and holidays.

The website will list the same information for personnel representing Marketers and Direct Customers. It is the responsibility of the Marketers and Direct Customers to update this information as required. In addition, O&R gas tariffs, the Gas Sales and Transportation Operating Manual and information regarding the means of communicating customer enrollments, nomination procedures and scheduling of daily and monthly gas deliveries will be posted to the website.

Reliability Forums

In order to facilitate an on-going communication with Retail Choice participants, the Company to the extent required, will schedule meetings with Marketers/Direct Customers and other interested parties each year The meetings will provide a forum for O&R and Marketers/Direct Customers to review issues arising during the prior season, program procedure clarifications and other operational issues of concern. O&R will seek input from the other parties in formulating an agenda for each meeting 14 days prior to the scheduled meeting date.

Conference Calls

In addition to the reliability forums sponsored by the Company, telephone conference calls open to participation by Marketers/Direct Customers will be scheduled by O&R as required or requested by a Marketer/Direct Customer to discuss issues that require immediate attention. The cost of each conference call may be shared equally by the call participants.

Interruptible Customer Pre-season Notification

Prior to September 15 of each year, the Company will notify all Interruptible Customers in a certified letter, return receipt requested, of the operating requirements for the coming heating season. The notice will include the current rates and charges for any unauthorized gas use and the Company's plan to conduct inspections and/or a planned interruption prior to or during the beginning of the winter period, as well as the Company telephone numbers and contact personnel to call in the event that an equipment failure prevents the customer from switching to its alternate fuel.

Daily Gas Flow and Program Enrollment Communication

Please refer to the appropriate section(s) of these Operating Procedures for a description of the information required and manner of transmittal for daily communication with O&R by Marketers/Direct Customers for daily gas delivery quantities schedules and constraints, customer enrollments, gas nomination procedures and procedures related to OFOs, SAOs and SAs.

OPERATIONAL FLOW ORDERS

The Company shall have the right to issue OFOs to alleviate conditions that threaten the operational integrity of the Company's system, prevent a short-term curtailment, and to maintain operations required to provide efficient and reliable firm service. OFOs are instituted when other actions have not eliminated reliability concerns. Economic considerations shall not be a basis for declaring an OFO. OFOs shall be applied on a nondiscriminatory basis to all similarly situated Marketers.

Notice of all OFOs will be issued via email to be followed by telephone call to the affected OFO recipients. The OFO will set forth (a) the time and date of the 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. Actions required by the OFO should be limited both in scope and duration to meet the required objective, and shall be as localized as possible. Except in circumstances where an immediate response is needed, at least 24 hours notice will be provided for an OFO. When a SA precedes an OFO, the 24-hour notice begins with the issuance of the SA; however, there should still be a minimum of 8 hours notice when a SA is changed to an OFO.

The OFO notice should communicate clearly to designated Marketers the actions required, as well as the reason for the required actions, and provide periodic updates to enable parties to continue their planning functions.

The Company shall notify the Director of the Office of Gas and Water of the Department of Public Service when an OFO is declared and when the situation returns to normal. The issuance of an OFO will require a Marketer to either increase or decrease volumes of gas, or deliver gas to a specific point, but in no event will require a Marketer to deliver a volume greater than the Marketer's maximum daily contract quantity. The issuance of OFOs will correspond with the tariff provisions of the interstate pipelines utilized for delivery by the OFO recipient.

Upon notice that an OFO will be issued, and for the duration of the OFO, the Company must make authorized personnel available on a 24-hour basis to handle the submission and processing of evening cycle and intra-day nominations to facilitate the Marketer's response to the OFO.

If during an OFO period the Company is aware of Marketer(s) that are not responding to the required actions, it should make all reasonable efforts to inform the non-responding Marketer(s) that required actions are not being taken. Lack of such notice shall not relieve any Marketer of its obligations. The Marketer, if necessary should communicate with its customers to ensure compliance with the conditions of the Company directed OFO. If the Marketer is aware of non-compliance of one or more of its customers, it shall notify O&R's Customer Energy Services Department at dl-retaichoice@coned.com with the name(s), address(es) and account number(s) of the end users.

If a Marketer 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.

At the next meeting of the Company and Marketers, there should be a review of any OFOs that may have been declared by the Company. However, any party that has a grievance concerning the necessity for, or individual treatment during, an OFO may address those concerns immediately with the Company. If after such discussion, the party is still dissatisfied, it may bring its concerns to the Staff of the Department of New York Public Service and, if necessary, to the Commission.

SYSTEM ALERTS

System Alerts ("SAs") are announcements of actual or pending events that, if unchecked may result in an OFO or Strict Adherence Order being issued. The SA advises Marketers what actions are requested and what actions may be mandated if the voluntary response is not adequate. SAs may be directed to specific Marketers, subject to the Company's obligation not to unduly discriminate, or to all Marketers operating on the System. Marketers are expected to respond to SAs as soon as practical, giving notice to the Company of their intended actions.

The Company is not obligated to issue a SA before an OFO,but will endeavor to do so and will be required to document why it was not able to do so.

SAs are e-mailed to all Marketers affected by the SA.

STRICT ADHERENCE ORDERS

Upon no less than eight hours notice, the Company may, on any day that it determines that its gas supply condition is critical, issue a Strict Adherence Order (“SAO”). For any under-deliveries or over-deliveries greater than five percent of the Marketer’s required deliveries during a SAO period, the Marketer will pay a penalty charge equal to $25 per dekatherm, plus the market cost of gas on the day of the underdelivery.

For all under-deliveries, the Marketer will be cashed out in accordance with the cash out provisions set forth herein. The Company may, at its sole discretion, refuse to accept any over-deliveries from a Marketer.

If a Marketer overdelivers or underdelivers gas at any time, the cashout volume will be treated as a purchase or sale of gas supply by the Company and the customers served by the Marketer will not have such over-deliveries or under-deliveries credited to their accounts.

RENEWABLE NATURAL GAS INTERCONNECTION PROCEDURES

A. RNG Eligibility

Gas that is produced from the anaerobic decomposition of organic material may be delivered into the Transporter’s gas distribution system under this procedure, provided that it is effectively processed and upgraded into safe and merchantable natural gas that meets the RNG Quality Specifications. Raw biogas is known to contain constituents such that it would not be considered merchantable and therefore the Transporter will not accept into Transporter’s gas distribution system. Entities that wish to produce RNG for delivery into Transporter’s gas distribution system are required to complete the application and study process delineated herein and to execute an RNG Interconnection Agreement as a condition of access; provided, however, that Transporter may opt to waive some or all portions of Sections B and C below with respect to RNG Plants developed under a competitive procurement conducted by Transporter. Pursuant to this procedure, RNG collected from the following sources may be accepted into Transporter’s gas distribution system:

- Landfill;
- Wastewater Treatment Plant; and
- Organic waste (e.g., sludge, and food, yard, and/or livestock waste)

Transporter will not accept or transport RNG collected from Hazardous Waste Landfills, including landfills permitted by the Department of Toxic Substances Control. Before Transporter will interconnect with an RNG Plant, the RNG Operator must demonstrate and certify to Transporter’s satisfaction that the RNG was not collected from a Hazardous Waste Landfill.

B. DEFINITIONS

"Applicable Laws" shall mean any and all applicable acts, laws, statutes, ordinances, orders, rules, permits, regulations, rulings, licenses, decrees, directives, judgments or policies (to the extent mandatory) or any similar form of decision, determination or any interpretation, construction or administration of any of the foregoing, having the effect of law and/or official governmental actions, whether of a federal, state, local or tribal nature, promulgated by a Governmental Authority having jurisdiction.

"Applicants" shall mean parties that have submitted an application seeking to interconnect an RNG Plant to Transporter's gas distribution system.

"Delivery Point" shall mean the point of interconnection between the RNG Plant and Transporter's gas distribution system, as identified in the RNG Interconnection Agreement.

"Gas Day" shall mean the 24-hour period commencing at 10:00 AM EST during each calendar day.

"Gas Transportation Operating Procedures Manual" or "GTOP" means the document describing Transporter's operating procedures, protocols and business practices for transportation service, as amended from time to time. The GTOP applicable to Operator's RNG is filed with the NYSPSC and is posted on Transporter's web site.

"Hazardous Waste Landfills" shall mean all contiguous land and structures, and other appurtenances and improvements, on land used for the treatment, transfer, storage, resource recovery, disposal, or recycling of hazardous waste. The facility may consist of one or more treatment, transfer, storage, resource recovery, disposal, or recycling hazardous waste management units, or combinations of these units, including the facilities so defined by the United States Environmental Protection Agency – 40 CFR 260.10 or the New York State Department of Environmental Conservation – 6 NYCRR Part 370.2.

"Interconnection Facilities" shall mean Operator's Facilities and Transporter's Facilities, collectively.

"Operator's Facilities" shall mean any piping, equipment or infrastructure owned, operated or maintained by Operator that is necessary to connect the RNG Plant to the Delivery Point, including, but not limited to, the facilities identified in an RNG Interconnection Agreement.

"Renewable Natural Gas" or "RNG" means the gas produced by an RNG Operator at an RNG Plant within Transporter's service territory which meets the RNG Quality Standards Appendix

"RNG Operator" shall mean a party operating an RNG Plant directly connected to Transporter's gas distribution system and authorized to deliver RNG into Transporter's natural gas distribution system.

“RNG Interconnection Agreement” shall mean an agreement between Transporter and RNG Operator for the interconnection of Operator’s Facilities and Transporter’s Facilities.

“RNG Plant” or “Plant” means an anaerobic digester and related upgrading and processing facilities used to produce biomethane, which shall be limited to non-Hazardous Waste Landfills, wastewater treatment plants and facilities processing organic waste acceptable to Transporter (e.g., sludge and food, yard and livestock waste).

“RNG Quality Standards” shall mean the standards and specifications, including testing protocols, set forth in each RNG Operator’s Interconnection Agreement, Transporter’s Tariff and the GTOP. For the avoidance of doubt, in the event of a discrepancy or conflict between the RNG Quality Standards specified in this Agreement (including, but not limited to, Appendix E) and the gas quality standards specified in the GTOP and/or Transporter’s Tariff, the gas quality standards specified in the GTOP and/or Transporter’s Tariff shall prevail.

“Transporter” shall mean O&R.

“Transporter’s Facilities” means any piping, equipment or infrastructure owned, operated or maintained by Transporter that is necessary to connect the Delivery Point to Transporter’s gas distribution system, including, but not limited to, the facilities identified in an RNG Interconnection Agreement.

“Transporter’s Tariff” or “Tariff” means Transporter’s Schedule For Gas Service Applicable In The Entire Territory (PSC No. 4 – Gas), as amended from time to time, or any superseding tariff), for gas delivered by Operator in the State of New York

“Winter Months” shall mean the five consecutive calendar months from November 1 through March 31.

C. APPLICATION AND INITIAL FEASIBILITY ANALYSIS

Entities interested in interconnecting an RNG Plant to Transporter’s gas distribution system must complete and submit an application in a form provided by Transporter. The application will provide, at a minimum:

- The applicant's identity and contact information;
- Description of production technologies and feedstock(s) to be employed;
- The address and/or coordinates of the RNG Plant
- site(s);
- Expected hourly and daily gas flows by month or season; and
- Information about quality of the gas (pre- and post-processing) to be provided and the processing/treatment to be employed.

Applicants will provide a non-refundable application fee of $500 for each potential project or location to be evaluated. Applicants must promptly respond to requests from Transporter to clarify or supplement information provided in the application.

Within approximately 30 calendar days of the receipt of a completed application and application fee, Transporter will provide the results of its Initial Feasibility Analysis to the applicant. The analysis will identify the location of the nearest high-pressure distribution main(s) suitable for interconnection, will indicate whether sufficient takeaway capacity is available to receive the expected quantities of RNG, and will provide the minimum, maximum and normal operating pressures of the main. If requested by applicant, Transporter will schedule a meeting or conference call to discuss its findings with the applicant.

Information about the location and capabilities of Transporter's gas distribution facilities will only be provided to applicants who, in Transporter's sole judgment, have demonstrated that they are willing and able to comply with the Transporter's non-disclosure requirements. Transporter, in its sole discretion, may provide abbreviated system maps to such applicants, subject to the execution of a non-disclosure agreement.

D. PRELIMINARY ENGINEERING AND COST EVALUATION

Upon conclusion of the Initial Feasibility Analysis, applicants may request that Transporter also complete a Preliminary Engineering and Cost Evaluation Study for the interconnection of the RNG Plant to Transporter's gas distribution system.

Applicants requesting a Preliminary Engineering and Cost Evaluation Study will execute a Preliminary and Engineering Cost Evaluation Agreement in the form illustrated in Appendix A to this GTOP. Study work will not commence until this agreement is executed and applicant provides the required financial security.

To support the evaluation performed by the Transporter, applicant will provide all information necessary to complete the evaluation, including the planned development and construction timeline, specific information about its planned equipment (including configurations and specifications), and evidence regarding the quality and composition of RNG to be provided.

Upon conclusion of the Preliminary Engineering and Cost Evaluation Study, Transporter will provide a report that may include some or all of the following, as agreed-upon by the Transporter and applicant:

- A review of the suitability of the Operator's facilities and equipment, including gas processing and analysis equipment;
- The preliminary configuration of Interconnection Facilities necessary to safely and reliably interconnect applicant's proposed project to Transporter's high-pressure gas distribution;
- A description of the major facilities and equipment to be provided by Transporter and applicant;
- The preliminary route and any known barriers to the construction of Transporter's facilities;
- An approximate timeline and milestones for completion of Transporter's facilities;
- A preliminary estimate of the cost of Transporter's facilities for which applicant will be financially responsible; and
- If deemed necessary by Transporter, an evaluation of the potential for applicant's gas to be commingled with other natural gas supplies.

Applicant will bear Transporter's cost to perform the Preliminary Engineering and Cost Evaluation Study, including overheads and subcontractor costs. Applicant will provide security, as requested by Transporter, prior to initiation of the Preliminary Engineering and Cost Evaluation Study.

Transporter and applicant will mutually agree on a schedule for completion of the Preliminary Engineering and Cost Evaluation Study, based on the scope of the analysis to be completed and the complexity of the proposed project.

E. RNG INTERCONNECTION AGREEMENT

Following completion of the Preliminary Engineering and Cost Evaluation Study, applicants will be eligible to enter into an RNG Interconnection Agreement with Transporter at terms comparable to those appearing in Appendix A, subject to the results of the Initial Feasibility Analysis and Preliminary Engineering and Cost Evaluation Study; provided, however, that Transporter may opt to waive an Initial Feasibility Analysis and/or the Preliminary Engineering and Cost Evaluation Study with respect to proposed projects to be developed through as result of a competitive procurement conducted by Transporter. Transporter shall have no obligation to interconnect the proposed project or construct interconnection facilities until applicant and Transporter have executed an RNG Interconnection Agreement and applicant has provided Transporter with the required financial security. Transporter will not accept deliveries of natural gas produced by RNG Operators, except as authorized under an RNG Interconnection Agreement.

F. GAS PURCHASE AGREEMENT

Transporter or its agent and an RNG Operator may opt to enter into a natural gas purchase agreement at terms comparable to those appearing in Appendix A for some or all of the output produced by qualifying RNG facilities. Neither Transporter, nor an RNG Operator, shall be obligated to enter into such an agreement.

G. TITLE TO GAS

Transporter may refuse to accept delivery of gas produced by an RNG Operator, unless RNG Operator is able to demonstrate that title to such gas will be transferred at the Delivery Point to a third-party with transportation rights, subject to a transportation rate specified in Transporter's Tariff.

H. RNG QUALITY SPECIFICATIONS AND TESTING EQUIREMENTS

1. RNG Quality Specifications

All RNG delivered into Transporter's gas distribution system shall, in all respects and at all times, consist solely of RNG which is merchantable and fit for use by retail customers, that is suitable for transportation in Transporter's gas distribution system, and that will not damage or jeopardize the safe operation of Transporter's gas distribution facilities. At a minimum, all RNG must be:

- Entirely free of all hydrocarbon liquids and other material in liquid form, including, without limitation, water, glycol, brines, condensate and oil;
- Dehydrated by the RNG Operator for removal of water present therein in a vapor state to a level determined acceptable by Transporter, at its sole discretion, from time to time;
- Consistent with the pressure, temperature, and quality specifications delineated in the RNG Operator's RNG Interconnection Agreement;
- Free from bacteria, pathogens, and any other substances injurious to utility facilities or people, or other constituents that would cause the RNG to be unmarketable; and
- In compliance with all Applicable Laws, including New York State odorization requirements.

Transporter may opt, in its sole discretion, to modify, adjust or supplement the requirement outlined in this GTOP or in its pro forma RNG Interconnection Agreement (Appendix A) with respect to new or existing RNG Plants interconnected to its gas distribution system in order to maintain safe and reliable conditions, to protect its facilities and equipment or its customers' facilities and equipment, or for other reasons.

2. Testing – General

Testing requirements will vary depending on the source of the RNG to be received by Transporter, and may be required for both raw biogas produced by the RNG Plant and processed RNG, in Transporter's sole discretion. The specific parameters that must be monitored for each type of RNG are indicated in Table 1 below. RNG produced using multiple feedstocks may be subject to testing requirements applicable to each feedstock. Regardless of the source of RNG, Transporter may opt to modify or supplement the testing requirements specified in Table 1 below if Transporter determines, in its sole discretion, that such requirements are necessary to protect the safety and reliability of its gas distribution system and/or the safe and reliable operation of equipment operated by its retail natural gas customers.

Transporter will generally require testing to be conducted using the protocols outlined in Table 1 below. Transporter reserves the right, in its sole discretion, to modify or supplement the indicated protocol to improve the accuracy or convenience of testing.

Table 1. RNG Quality Specifications and Testing Protocols						
		RNG Source				
Parameter	**Testing Frequency**	**Non-Hazardous Landfill**	**WWTP (Sludge)**	**Separated Organics (Food, Yard)**	**Livestock Waste**	**Testing Protocol**
Temperature	Continuous	Required	Required	Required	Required	NA
Pressure	Continuous	Required	Required	Required	Required	NA
Heating Content	Continuous	Required	Required	Required	Required	ASTM D1945, ASTM D3588 (on-line, or off-line canister collection)
Wobbe Number	Continuous	Required	Required	Required	Required	ASTM D1945, ASTM D3588 (on-line, or off-line canister collection)
Cricondentherm Hydrocarbon Dew Point	Continuous	Required	Required	Required	Required	NA
Total Inerts	Continuous	Required	Required	Required	Required	ASTM D1945, D1946 (on-line, or off- line canister collection)
Water Content	Continuous	Required	Required	Required	Required	ASTM D5454 (on-line only)
Sulfur 3	Continuous	Required	Required	Required	Required	ASTM D6228, D5504 (off-line canister collection); ASTM D4084 (H2S on-line) and D4468 (total S on-line); ASTM D7493 (on-line sulfur speciation)
Hydrogen	Continuous	Required	Required	Required	Required	ASTM D1945, D1946 (usually only off- line gas chromatographs can measure hydrogen, canister collection)
Carbon Dioxide	Continuous	Required	Required	Required	Required	ASTM D1945, D1946 (on-line, or off- line canister collection)

Table 1. RNG Quality Specifications and Testing Protocols						
		RNG Source				
Parameter	**Testing Frequency**	**Non-Hazardous Landfill**	**WWTP (Sludge)**	**Separated Organics (Food, Yard)**	**Livestock Waste**	**Testing Protocol**
Nitrogen	Continuous	Required	Required	Required	Required	ASTM D1945, D1946 (on-line, or off- line canister collection)
Oxygen	Continuous	Required	Required	Required	Required	ASTM D1945, D1946 (on-line, or off- line canister collection)
Biolog-icals 1	Periodic	Required	Required	Required	Required	TM0106-2006, TM0212-2012
Mercury 1	Periodic	Required	Required	Transporter's Discretion	Transporter's Discretion	ASTM D5954, D6350 (gold sorbent, on- line and off-line)
Siloxanes	Periodic	Required	Required	Required	Transporter's Discretion	ASTM D8230, gas chromatography (off- line canister collection) with atomic emission detection (GC-AED) or mass spectral detection (GC-MS)
Semi-volatile and volatile Compounds 1	Periodic	Required	Required	Transporter's Discretion	Transporter's Discretion	EPA TO-14, TO-15 (off-line) Canister collection (volatiles); XAD sorbent media (semi-volatiles)
Halocarbons 1,2	Periodic	Required	Required	Transporter's Discretion	Transporter's Discretion	EPA TO-14, TO-15 (off-line canister collection)
Aldehydes and Ketones 1	Periodic	Required	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	EPA TO-11 (off-line DNPH sorbent)
PCBs/Pesticides 1	Periodic	Transporter's Discretion	Transporter's	Transporter's Discretion	Transporter's Discretion	PUF/XAD sorbent tube sampling followed by EPA Method 8082 or EPA TO-10A

Table 1. RNG Quality Specifications and Testing Protocols						
		RNG Source				
Parameter	**Testing Frequency**	**Non-Hazardous Landfill**	**WWTP (Sludge)**	**Separated Organics (Food, Yard)**	**Livestock Waste**	**Testing Protocol**
			Discretion			
Arsenic	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	EPA Method 29 (AAS and/or ICP), EPA 200.8
p-Dicholorobenzene	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	TO-15 (GC/MS), TO-11A for Methacrolein (Determination of Formaldehyde Adsorbent Cartridge (HPLC))
Ethylbenzene	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	TO-15 (GC/MS), TO-11A for Methacrolein (Determination of Formaldehyde Adsorbent Cartridge (HPLC))
n-Nitroso-di-n-propylamine	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	EPA Method 8270 (GC/MS)
Vinyl Chloride	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	TO-15 (GC/MS), TO-11A for Methacrolein (Determination of Formaldehyde Adsorbent Cartridge (HPLC))
Antimony	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	EPA Method 29 (AAS and/or ICP), EPA 200.8

Table 1. RNG Quality Specifications and Testing Protocols						
		RNG Source				
Parameter	**Testing Frequency**	**Non-Hazardous Landfill**	**WWTP (Sludge)**	**Separated Organics (Food, Yard)**	**Livestock Waste**	**Testing Protocol**
Copper	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	EPA Method 29 (AAS and/or ICP), EPA 200.8
Lead	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	EPA Method 29 (AAS and/or ICP), EPA 200.8
Mercaptans (Alkyl Thiols)	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	ASTM D7165, D7493 (online monitoring), ASTM D5504, D6228
Methacrolein	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	TO-15 (GC/MS), TO-11A for Methacrolein (Determination of Formaldehyde Adsorbent Cartridge (HPLC))
Toluene	Periodic	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	Transporter's Discretion	TO-15 (GC/MS), TO-11A for Methacrolein (Determination of Formaldehyde Adsorbent Cartridge (HPLC))

<u>Table 1 - Notes</u>

1. If reasonably expected
2. Examples are freons, chloroethane and vinyl chloride
3. Includes hydrogen sulfide, ethyl & methyl mercaptan, dimethylsulfide

3. Testing - Continuous Monitoring

For quality parameters that will be monitored on a continuous basis, the RNG Operator will install, operate and maintain gas analysis equipment, at its own expense, as specified in its RNG Interconnection Agreement. The readings from the RNG Operator's gas quality analysis equipment must be communicated to Transporter in real-time, in a manner and format specified by the Transporter. Transporter may, at RNG Operator's expense, from time to time collect field samples or require the RNG Operator to collect such samples to confirm independently the readings of the RNG Operator's gas quality analysis equipment. Transporter shall be permitted to inspect such equipment on reasonable notice to RNG Operator. Transporter shall be advised of and permitted to be present for calibration of the RNG Operator's gas quality analysis equipment.

4. Testing - Periodic Monitoring

For quality parameters that will be monitored by periodic testing, Transporter will generally require the RNG Operator to undertake testing on a quarterly basis or following a significant change in feedstock or operations. Transporter shall be permitted to require more frequent testing or to require continuous monitoring of some parameters if such testing or monitoring is necessary, in Transporter's sole discretion, to protect the safety and reliability of its gas distribution system or the safe and reliable operation of its retail customers' equipment. If the RNG Operator's RNG meets the quality requirements specified herein and in the RNG Operator's RNG Interconnection Agreement, Transporter may opt to cease requiring periodic testing for one or more parameters or it may reduce the frequency of required periodic tests. Re-sampling or re-testing shall be allowed to verify and validate the results. The cost of retesting shall be borne by the entity requesting the retest.

The RNG Operator shall perform the periodic testing of gas quality parameters using an independent certified third-party laboratory(ies) qualified to perform testing in accordance with the indicated testing protocols and acceptable to Transporter, at the RNG Operator's sole expense. Transporter shall be afforded a reasonable opportunity to observe the collection of RNG samples to be tested by the RNG Operator. RNG Operator shall share test results with Transporter within five calendar days of receipt of the test results. Upon reasonable notice, RNG Operator shall allow Transporter to obtain samples at Operator's premises and undertake its own testing.

Transporter may, in its sole discretion, undertake or require RNG Operator to undertake periodic testing at alternative locations on Transporter's gas distribution system to provide baseline data regarding gas quality parameters. RNG Operator shall be financially responsible for any such testing.

I. START-UP AND RESTART TESTING PROCEDURE

In addition to the requirements specified in Section G above, the following additional requirements shall apply prior to RNG Operator's initial delivery of RNG to Transporter, prior to reconnection of an RNG Plant following being shut off pursuant to Section H below, and/or following a significant interruption in RNG deliveries:

- RNG Operator shall conduct a minimum of three tests over a two- to four-week period for each of the RNG Quality Specifications for which Transporter requires testing, at intervals approved by Transporter.
- Tests will be performed for both raw, unprocessed biogas produced by the RNG Plant and processed RNG at flows comparable to the maximum flows contemplated under RNG Operator's Interconnection Agreement.
- If such tests indicate that RNG delivered to Transporter will meet the RNG Quality Specifications, then the Transporter may authorize RNG operator to commence deliveries into its distribution system.
- If such tests indicate that one or more of the RNG Quality Specifications will not be met and/or the quality of the RNG provided, in Transporter's sole discretion, has the potential to affect the safety or reliability of Transporter's gas distribution system or the safe and reliable operation of its retail customers' equipment, Transporter shall not be obligated to accept deliveries of RNG. Operator shall make all necessary modifications to facilities or operations to meet the RNG Quality Specifications.
- Following any test demonstrating that the RNG will not meet the RNG Quality Specifications, Operator shall restart the testing procedure specified in this section.

Prior to the commencement or recommencement of RNG deliveries to Transporter's system, RNG Operator will provide an operating procedure acceptable to Transporter identifying the following: (1) delivery thresholds at which the RNG Plant's processing and treatment systems may no longer be functioning properly, and (2) the parameters for which an excursion may indicate that processing and treatment facilities are not functioning properly and may not be sufficiently removing trace constituents that are not monitored continuously.

In addition, RNG Operator shall assist Transporter, as needed, with any necessary outreach to consumers that may be affected by changes in gas quality resulting from the introduction or reintroduction of RNG to Transporter's distribution system.

J. SHUT-OFF PROCEDURES

Transporter may opt to cease receiving RNG from an Operator if one or more of the following occur:

- Testing performed by the RNG Operator or Transporter indicates that the RNG delivered into Transporter's gas distribution system has violated or will violate the RNG Quality Specifications;

- The Transporter, in its sole discretion, determines that a change in the RNG feedstock or a change in the RNG Operator's processing or treatment equipment could cause the RNG to violate the RNG Quality Specifications; and/or
- The quality of the RNG provided, in Transporter's sole discretion, has the potential to affect the safety or reliability of Transporter's gas distribution system or the safe and reliable operation of equipment operated by Transporter's retail customers.

If the RNG interconnection has been shut off, deliveries of RNG may be recommenced and continued only after completing the "Pre-Interconnection and Restart Testing Procedure" above. Following shut-off of an RNG interconnection, Transporter may increase the frequency of periodic testing and/or require continuous testing of additional gas quality parameters.

K. MEASUREMENT

All RNG deliveries shall be measured by a displacement type meter or any other approved measuring device of equal accuracy, acceptable to Transporter and compliant with all Applicable Laws. Measurement of gas shall be calculated following the recommendations of: the A.G.A. Manual for Determination of Supercompressibility Factors of Natural Gas or the A.G.A. Transmission Measurement Committee Report No. 8 "Compressibility and Supercompressibility for Natural Gas and Other Hydrocarbon Gases", ANSI B109.3 "Standard for Rotary Meters" and "Measurement by Turbine Meters – Volumetric Flow Measurement" (A.G.A. Report No. 7), as appropriate to the type of meter or measuring device installed at the Delivery Point, including any revisions applying thereto.

If the Delivery Point gas flow characteristics are such that calculations cannot be performed consistent with the above-mentioned recommendations (e.g., due to a decline in production or other operational matters), the RNG Operator shall install, at its own expense, a replacement meter or measuring device acceptable to Transporter and meeting the requirements delineated above. If requested by Transporter, RNG Operator shall also replace the Transporter's meter or measuring device with another meter acceptable to Transporter. RNG Operator shall bear the costs of installing the Transporter's replacement meter, other than the cost of the metering equipment.

For displacement meters, the RNG Operator must read meters on the first working day of each month and shall communicate in a manner and format designated by Transporter, daily or more granular volume and BTU content information to Transporter on or before the fifth working day of each month.

Each party shall have constant access to the meters and access, upon reasonable notice and during normal business hours, to all meter maintenance, testing, calibration and similar records.

L. RNG SCHEDULING AND IMBALANCE CHARGES

1. Applicability

The procedure outlined in this Section applies to RNG Operators that enter into a natural gas purchase agreement with Transporter for the output of an RNG Plant. Unless otherwise agreed by Transporter and an RNG Operator as part of an Interconnection Agreement, supplies sold by RNG Operators to an ESCO or Marketer will be governed by the scheduling and balancing procedures generally applicable to all supplies provided by ESCOs and Marketers.

2. Scheduling of RNG Deliveries

Each RNG Operator will advise Transporter of the amount of natural gas that it will deliver to its Delivery Point on each Gas Day (i.e., scheduled amount), as specified in the RNG Operator's RNG Interconnection Agreement, Transporter's Tariff, and Transporter's GTOP. Transporter reserves the right to decline to accept quantities delivered to the Delivery Point that vary by 10% or more above or below the scheduled amount.

3. Imbalance Charges and Credits

RNG Operator shall be responsible for paying the imbalance charges outlined below and shall receive the imbalance credits outlined below, to the extent that its actual deliveries of RNG to the Delivery Point exceed or fall below the scheduled amount on any Gas Day. RNG Operator shall be responsible for imbalance charges with respect to quantities that are refused by Transporter because Transporter reasonably believes that (i) the RNG does not or will not meet the RNG Quality Standards and/or (ii) a safety or reliability concern exists at the RNG Operator's facilities that would be aggravated by Transporter's receipt of RNG. Transporter will not require payment of imbalance charges in connection with quantities that Transporter declines to receive as a result of conditions on Transporter's gas distribution system.

To the extent that the RNG Operator's actual deliveries to the Delivery Point fall below the quantities scheduled or nominated by the RNG Operator, the following imbalance charges shall apply, based on the ratio of the shortfall to the scheduled or nominated delivery quantity:

Shortfall %	**Charge per Dekatherm**
>0% and ≤5%	100% of Monthly Cost of Gas
>5% and ≤10%	110% of Daily Cost of Gas*
>10% and ≤20%	120% of Daily Cost of Gas*
>20% - Winter[2]	140% of Daily Cost of Gas*
>20% - Summer[3]	130% of Daily Cost of Gas*

* If an Operational Flow Order is in effect reflecting a shortage of supply, the charge will be the higher of the amount shown and $25/Dt.

If RNG Operator's actual deliveries to the Delivery Point exceed the quantities scheduled or nominated, the excess, up to 2% of the quantity that was scheduled or nominated, will be deducted from the RNG Operator's cumulative monthly imbalance. No credit will be provided for any deliveries in excess of 102% of the scheduled amount. Transporter reserves the right to impose additional charges for deliveries in excess of the scheduled quantity during periods when an Operational Flow Order intended to address an excess of supplies on Transporter's gas system is in effect.

For purposes of this section, the "Monthly Cost of Gas" shall be a weighted average price equal to the product of the percentage weightings and the higher of (i) the average daily Algonquin Citygate and Millennium – East midpoint prices for the month, or (ii) the average of the Algonquin Citygate and Millennium - East First of the Month High Range Price, as published in Platt's Gas Daily. For purposes of this section, the "Daily Cost of Gas" shall be a simple average of the Algonquin Citygate and Millennium - East midpoint prices published in Platt's Gas Daily for the day in which the imbalance occurs. Transporter will invoice each RNG Operator on a monthly basis for any net imbalance charges due, and each RNG Operator shall pay such charges within 30 days. Net imbalance credits, if any, will be carried forwarded to offset future imbalance charges.

[2] November through March
[3] April through October