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June 29, 2017

By Electronic Mail
Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

**Re: Case 15-G-0185 – Proposed Changes to Orange and
Rockland Utilities, Inc. Gas Sales and Transportation
Operating Procedures**

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. (“Orange and Rockland” or “Company”) submits for filing amendments to its Gas Transportation Operating Procedures Manual (“GTOP”) in accordance with the Commission’s order dated June 16, 2017, in the referenced matter (“Order”). Pursuant to the Order, these changes will become effective on July 1, 2017.

If you have any questions regarding this filing, please call Christopher Tofallos at 845-577-2413.

Very truly yours,

/s/ Enver Acevedo



ORANGE AND ROCKLAND UTILITIES, INC.

**GAS TRANSPORTATION
OPERATING PROCEDURES**

Submitted: ~~January 28, 2016~~ June 23, 2017

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INTRODUCTION

Purpose

These Gas Transportation Operating Procedures ("Operating Procedures") provide Customers taking firm gas transportation service under 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 "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.

The Operating Procedures manual includes the following information to assist users in understanding the O&R gas retail access 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 December 1, 2014;
- Gas retail access program UBPs;
- Operating procedures applicable to Residential and small Commercial and Industrial customers participating in retail access;
- Operating procedures applicable to interruptible customers participating in retail access;
- Communication protocols for the retail access program; and
- Description of Operation Flow Orders ("OFO"), Strict Adherence Orders ("SAO") and System Alerts ("SA").

In addition, Appendix A 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 Gas Transportation 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 Gas Transportation 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 Gas Transportation Operating Procedures

Orange and Rockland Utilities, Inc.

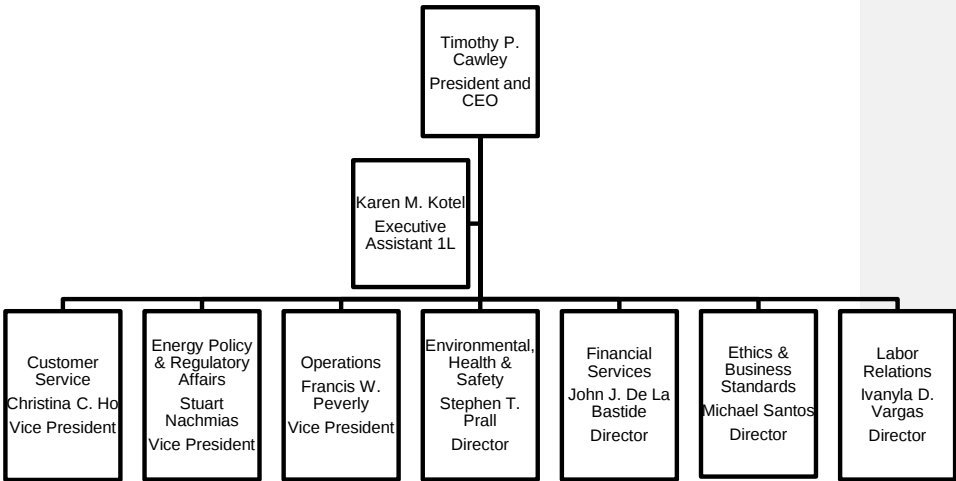
*Gas Transportation
Operating Procedures*

are included for informational purposes only and are subject to revision only in conformance with the orders of the NYPSC: Introduction and O&R's Standards of Competitive Conduct.

Organization Structure

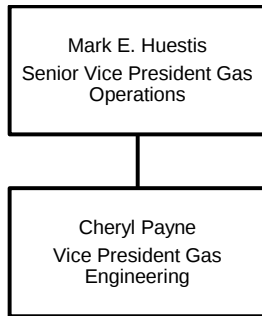
Orange and Rockland Utilities, Inc.

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 Consolidated Edison Company of New York, Inc ("CECONY").

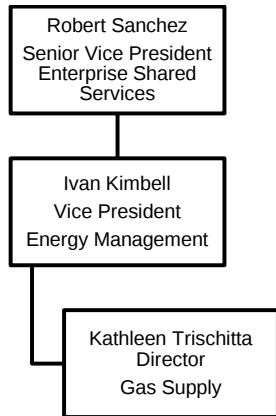


Consolidated Edison Company of New York, Inc.

Gas Operations Structure



Enterprise Shared Services Structure



Gas Transportation Contacts

Transportation Customer and Marketer Support Personnel and Services
ORANGE AND ROCKLAND UTILITIES, INC.

Customer Energy Services Department - Retail Access 1 Blue Hill Plaza, 2nd Fl Pearl River, NY 10965

Marketer Contacts:

Director.....845-577-2407

Firm & Interruptible Gas
Transportation Issues845-577-2413

Customer Account Issues.....845-577-2413

Gas Control Center 1615 Bronxdale Ave Bronx, NY 10462

Manager.....718-794-2876
Pager.....845-685-5586
After Hours.....845-623-3163

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

Gas Control Fax Number718-794-2924

Gas Control Office Fax718-794-2927

New Business Service Department 390 West Route 59 Spring Valley, NY 10977

Applications involving new construction for delivery services made
on behalf of a Customer845-577-3324

Standards of Competitive Conduct

Affiliate Transaction Standards

The Standards of Competitive Conduct governing the Company's relationship with any gas or electric energy supply and energy service affiliates are contained in the Settlement Agreement, dated March 8, 1999, of Case 98-M-0961 the Joint Petition of Consolidated Edison, Inc., Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. Approval of a Certificate of Merger and Stock Acquisition.

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

Marc Richter
Associate General Counsel
Consolidated Edison Company of New York, Inc.
4 Irving Place
New York, NY 10003
(212) 460-4615

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 ("O&R")¹ relationship with any energy supply and energy service affiliates:

(i) 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 ("CEI") or O&R or in identifying itself as being affiliated with CEI or O&R. O&R 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 O&R speaks on behalf of an affiliate or that an affiliate speaks on behalf of O&R. If a customer requests information about securing any service or product offered within the service territory by an affiliate, O&R 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 O&R will not promote its affiliate.

(ii) O&R 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 O&R. O&R 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 O&R. O&R 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 O&R'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. O&R 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 O&R's utility services and O&R shall apply any tariff provision in the same manner if there is discretion in the application of the provision. O&R must strictly enforce a tariff provision for which there is no discretion in the application of the provision. If O&R 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, O&R 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.

¹ "O&R" shall mean its New York regulated operations.

(iv) 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.

(v) Release of proprietary customer information relating to customers within O&R'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.

(vi) O&R 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.

(vii) O&R shall establish a complaint process consistent with the following. If any competitor or customer of O&R believes that O&R 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 O&R. O&R 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, O&R and the Complaining party will meet, if necessary, in an attempt to resolve the matter informally. If O&R and the complaining party are not able to resolve the matter informally within 15 business days, the matter will be referred promptly to the Commission for disposition.

(viii) The Commission may impose on O&R remedial action for violations of the standards of competitive conduct. If the Commission believes that O&R has engaged in material violations of the standards of competitive conduct during the course of this Plan, it shall provide O&R 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 O&R 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 O&R's material violation(s), but exclude directing CEI to divest O&R or imposing a service territory restriction on the unregulated subsidiary. If CEI is directed to divest an unregulated subsidiary, it may not thereafter, without prior Commission approval, use a new or existing subsidiary of CEI to conduct within O&R's service territory the same business activities as the divested subsidiary (e.g., energy services). O&R and CEI may exercise any and all legal and/or equitable relief from such remedial actions, including, but not limited to injunctive relief. Neither Orange and Rockland nor any affiliate or subsidiary will challenge the Commission's legal authority to implement the provisions of this subparagraph.

(ix) 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.

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

Access to Books and Records and Reports

(i) Staff will have access, on reasonable notice and subject to appropriate resolution of confidentiality and privileges, to the books and records of CEI and CEI majority-owned subsidiaries. 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 O&R and such subsidiaries, to the extent CEI has access to such books and records.

(ii) O&R 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 Delivery Company employees transferred to an affiliate, and a listing of affiliate employees participating in common benefit plans.

(iii) CEI will provide a list on a quarterly basis to the Commission of all filings made with the Securities and Exchange Commission by CEI and any subsidiary of CEI including O&R.

A senior officer of CEI and O&R will each designate a company employee, as well as an alternate to act in the absence of such designee, to act as liaison among CEI, O&R and Staff ("Company Liaisons"). The Company Liaisons will be responsible for ensuring adherence to the established procedures and production of information for Staff, and will be authorized to provide 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

² Appendix E to the Settlement Agreement, dated March 8, 1999, of Case 98-M-0961 the Joint Petition of Consolidated Edison, Inc., Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. Approval of Certificate of Merger Stock Acquisition.

Orange and Rockland Utilities, Inc.

*Gas Transportation
Operating Procedures*

confidentiality as set forth in Appendix E of the Settlement Agreement (see footnote 2).

Gas Service Territory

Orange and Rockland Utilities, Inc., 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 132,351 gas customers comprised of 69,041 residential customers and 63,310 commercial and industrial customers.

Receipt Points into Orange and Rockland's Distribution System

Following is a list of receipt points into Orange and Rockland's 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)	Millenium Gas Pipeline

ORANGE AND ROCKLAND 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 represent a brief explanation of the gas rates in effect as of November 1, 2015 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 November 1, 2015 are not reflected here.

The detailed requirements for each of these service classifications can be found in Orange and Rockland Utilities, Inc.'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

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EXPLANATION OF SERVICE CLASSIFICATIONS

November 2015

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.....@\$20.00 Next 47 Ccf@ 62.15261.779 per Ccf All over 50 Ccf@ 50.194¢	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.....@\$30.00 Next 47 Ccf@ 40.36445.454¢ per Ccf All over 4,950 Ccf@ 38.75243.462¢ per Ccf	Firm general service to Commercial and Industrial customers. Rates are monthly - surcharges apply.												
No Restrictions	SC#5	General Service	Yes	Dual-Fuel Service	A rate per 100 cubic feet (Ccf) is established for each dual fuel category and is applied to all gas sold under this rate class. Rates are filed monthly with the NYPSC.	Firm general service to customers with installed dual fuel Capability sufficient to service the customer's entire needs. Customer Categories are as follows; Category A - No. 6 Oil, 2% sulfur content or higher Category B - No. 6 Oil, less than 2% sulfur content Category C - All others												
Annual usage < 5,000 Mcf	SC#6 Rate Sch IA Rate Sch IB	Residential Commercial/Industrial	No	Firm Transportation	<table><tr><th>1A (SC1)</th><th>1B (SC2)</th></tr><tr><td>First 3 Ccf or less.....@\$20.00</td><td>\$30.00</td></tr><tr><td>Next 47 Ccf@ 62.15261.779¢ per Ccf</td><td></td></tr><tr><td>40.36445.454¢ per Ccf</td><td>Over 50 Ccf@</td></tr><tr><td>50.19459.46¢ per Ccf</td><td>N/A</td></tr><tr><td>Over 4950 Ccf.....@ N/A</td><td>38.75243.642¢</td></tr></table> per Ccf And for customers otherwise eligible for SC2 (1B)	1A (SC1)	1B (SC2)	First 3 Ccf or less.....@\$20.00	\$30.00	Next 47 Ccf@ 62.15261.779¢ per Ccf		40.36445.454¢ per Ccf	Over 50 Ccf@	50.19459.46¢ per Ccf	N/A	Over 4950 Ccf.....@ N/A	38.75243.642¢	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.
1A (SC1)	1B (SC2)																	
First 3 Ccf or less.....@\$20.00	\$30.00																	
Next 47 Ccf@ 62.15261.779¢ per Ccf																		
40.36445.454¢ per Ccf	Over 50 Ccf@																	
50.19459.46¢ per Ccf	N/A																	
Over 4950 Ccf.....@ N/A	38.75243.642¢																	
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.....@ 34.26638.592¢ 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.												

Orange and Rockland Utilities, Inc.

Gas Transportation
Operating Procedures

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: \$107.00 effective Nov. 1, 2015 \$117.00 effective Nov. 1, 2016 \$ 118.00 effective Nov. 1, 2017 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	Interruptible transportation service for customer-owned gas. Interruptible at the Company's option on not less than 4 hours notice. Customers must have 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 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 access 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. 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, 2014

Customer Class	No. of Customers	Annual MCF Sales
<u>Sales Service</u>		
Residential	66,546	7,455,724
Commercial		
General Service	1,816	832,282
Space Heating	3,800	708,702
Dual Fuel	0	0
Industrial		
General Service	12	30,807
Space Heating	6	12,314
Dual Fuel	0	0
Interruptible	<u>1</u>	<u>6,752</u>
Total Sales Service	<u>72,181</u>	<u>9,046,581</u>
<u>Transportation Service</u>		
Residential	53,772	7,401,125
C&I (Non-residential)	6,166	4,997,918
Interruptible	<u>93</u>	<u>1,966,107</u>
Total Transportation	<u>60,031</u>	<u>14,365,150</u>
<u>IPI/ Special Contract</u>	<u>1</u>	<u>1,060,334</u>
Grand Total	<u>132,213</u>	<u>24,472,065</u>

GAS DELIVERY MANAGEMENT PROCEDURES FOR FIRM RESIDENTIAL AND 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

For the period prior to April 1, 2016, each customer will have elected either the Balancing Service Option or the Winter Bundled Sales ("WBS") Service Option for each customer account. Effective April 1, 2016, the WBS Service Option will be mandatory for all customers. The terms and conditions of the Balancing Service Option and the WBS Service Option, including the terms and conditions of the Cash-Out as applicable to both Balancing Service and 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 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, Millenium 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.

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

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Monthly Cash-out

For each month the Company will calculate the difference between the seller's Winter Bundled Sales Service 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, Millenium 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 Winter Bundled Sales Service 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 ("its 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, Millenium 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. O&R shall also conduct a field visit to the customer's site to ensure that the Metretek remote data collection system can be installed at the required specifications. O&R will provide customers with the telephone requirements for remote metering.

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. All customers taking service under SC No. 8 or No. 9 must maintain a dedicated customer-installed telephone line to enable the Company to obtain remote readings of the customer's meter.

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 interruption to test customer's alternate fuel or alternate energy facilities. ~~A second unannounced interruption test may be called during January each year.~~ The customer must comply with any such planned interruption.

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.

~~The Company is requiring affidavits attesting to compliance with LDC tariffs from all interruptible customers except those customers who have elected to cease using natural gas when directed to by the LDC in lieu of maintaining an alternate fuel inventory.~~

~~The Company is requiring that all demand response customer affidavits include the customer's oil dealer's contact information.~~

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 GTO 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") by 2:00 p.m. on the business day preceding the Gas Day for which the nomination is applicable. Marketers must provide a total nomination for its aggregation group.

Intraday changes will be accepted up to 9:00 p.m. Intraday changes can not be submitted by the Marketer through TCIS. Any intraday changes made during business hours (Monday through Friday, 8:00 a.m. to 4:30 p.m.) must be communicated to the Company's Customer Energy Services Department - Retail Access via an email correspondence to gasnominations@oru.com.

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) 794-2891 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)

	Deadline	Deadline	Deadline	Effective
Nomination Type	for Shipper Nomination	Upstream/Downstream Confirmation	for Scheduled Quantities or Bump Notice	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 No. 13. 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 ~~7.55~~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 ~~7.55~~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 ~~7.55%~~ of a customer's loss adjusted actual usage, the over-delivered volumes in excess of ~~7.55%~~ 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

~~Beginning November 1, 2016, the first band will change from "over-deliveries greater than 7.5%—up to and including 10%" to "over-deliveries greater than 5% up to and including 10%".~~

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..

Under-deliveries - Daily

Beginning November 1, 2016 if on any day a customer's under-delivery is greater than ~~7.55%~~ of a customer's actual loss adjusted usage, the under-delivered volumes in excess of ~~7.55%~~ 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

~~Beginning November 1, 2016, the first band will change from "under-deliveries greater than 7.5%—up to and including 10%" to "under-deliveries greater than 5% up to and including 10%".~~

Under-deliveries - Monthly

If there is an under-delivery at the end of the month, the under-delivered volumes will be sold to the customer by the Company at a rate equal to 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. The Company will not process any trading results that are received after the three business day period.

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 mcf's 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 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 telephone number is (845) 577-3661. 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, telephone, 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 4 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 ~~20~~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 5-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 Metretek 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 Metretek 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 \$0.016791 per Ccf for the 12 months ending October 31, 2016, \$0.27014 per Ccf for the 12 months ending October 31, 2017, and \$0.27864 per Ccf thereafter until the Company's base rates are next reset.

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 fax numbers and e-mail address of the contact persons at the Company responsible for the following gas transportation functions:

- retail access sales and related regulatory activities
- marketer billing and credit
- media relations
- gas supply and systems operations
- contacts for responding to System Alerts and OFOs
- 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 access 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 (845) 577-3661 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 underdeliveries or overdeliveries 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 underdeliveries, 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 overdeliveries 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 overdeliveries or underdeliveries credited to their accounts.

Appendix A

FORMS

- **SC#8 Customer Application Form**
- **SC#13 Qualified Marketer Application Form**
- **SC#8 and SC#9 Customer Information Update Form**
- **SC#11 Application Form for Qualified Seller Service**
- **Form of Affidavit for SC#8 and SC#9**
- **Form of Affidavit for SC#11**
- **Supporting Information Form for Verification of SC#11 Primary Point Capacity**
- **Capacity Release Service Agreement for SC#11 – O&R**
- **Capacity Release Service Agreement – Con Edison and O&R**



Orange & Rockland
Orange and Rockland Utilities, Inc.

Phone #: 845-577-3324

W. Rte 59, Spring Valley, NY 10977
500 Route 208, Monroe, NY 10950
71 Dolson Ave., Middletown, NY 10940

FAX: 845-577-3319
FAX: 845-783-5504
FAX: 845-342-8939

SC NO. 8 CUSTOMER APPLICATION FORM

Customer Interruptible Gas Transportation Application is applicable for service under SC8. The customer must complete this application prior to requesting interruptible gas transportation service under Service Classification No. 8 (SC #8). The customer must fulfill all applicable O&R tariff requirements before service can commence and customers must inform O&R of any changes regarding the status of this service.

DATE: _____

Account No.: _____
Account Name: _____
Service Address: _____
City: _____ State _____ Zip _____

Billing Address (if different):
Address: _____
City: _____ State _____ Zip _____

For notification of interruptions:

Primary 24-Hour Contact Person: _____ Tel: _____
Cell # _____

Secondary 24-Hour Contact Person: _____ Tel: _____ Cell # _____
Fax: _____

Alternate Fuel: (Please Indicate Below)

Category A (No. 6 Oil, 2% sulfur or greater)
Category B (No. 6 Oil, less than 2% sulfur)
Category C (All Others) _____

Available Storage:

Number of Days _____ Gallons _____
Estimated Annual Usage in CCF _____
Note: Must use over 100,000 CCF/yr to qualify.

TAX EXEMPT STATUS Taxable [] Exempt [] Partial Exempt [] If partial or exempt, attach copy of exempt certificate
ACCESS CONTROL Do you control access to the meters? Yes [] No [] If no, please list name, address and phone number of person who does: _____ (NAME) (ADDRESS) (PHONE)
BUSINESS ENTITY IDENTIFICATION CORPORATION [] PARTNERSHIP [] INDIVIDUAL [] DBA []
CORPORATIONS/DBAs Where and when was the certificate of corporation or DBA filed? CITY _____ STATE _____ ZIP _____ DATE _____ PLEASE ATTACH COPY OF CERTIFICATE Principal Officers: President _____ Treasurer _____ Vice President _____ Secretary _____
PARTNERSHIPS/INDIVIDUALS 1) Name _____ 2) Name _____ Address _____ Address _____



Orange & Rockland

Orange and Rockland Utilities, Inc. 390 West Route 59, Spring Valley, New York 10977
QUALIFIED MARKETER APPLICATION FORM (For Service under SC13)

SC No. 13: QUALIFIED MARKETER APPLICATION FORM

(Complete Only the Parts Which are Applicable)

Application Form to be completed by a Qualified Marketer using SC #13 to serve SC #8 and SC #9 customers prior to the commencement of service. This form must be updated when there is a change in the data previously submitted.
DATE: _____

Account No. ³ : _____
Account Name: _____
Service Address: _____
City: _____ State _____ Zip _____

Billing Address (if different)
Address: _____
City: _____ State _____ Zip _____

Contacts:
Primary Contact Person: _____
Tel: _____ Fax: _____
Secondary Contact Person: _____
Tel: _____ Fax: _____

TAX EXEMPT STATUS Taxable [] Exempt [] Partial Exempt [] If partial or exempt, attach copy of exempt certificate
BUSINESS ENTITY IDENTIFICATION CORPORATION [] PARTNERSHIP [] INDIVIDUAL [] DBA []
CORPORATIONS/DBAs Where and when was the certificate of corporation or DBA filed? CITY _____ STATE _____ ZIP _____ DATE _____ PLEASE ATTACH COPY OF CERTIFICATE Principal Officers: President _____ Treasurer _____ Vice President _____ Secretary _____
PARTNERSHIPS/INDIVIDUALS 1) Name _____ 2) Name _____ Address _____ Address _____

Fax or email completed form to: Christopher Tofallos, Customer Energy Services Department - Retail Access, Fax No. 845-577-3602 or email to Tofallosc@oru.com.

³ Initially assigned by the Company.



Orange and Rockland

SC 8 or SC 9 – CUSTOMER INFORMATION UPDATE FORM

This form is to be completed and signed by: 1) A **current** SC8 or SC9 interruptible gas transportation customer requesting to switch marketers; or 2) A **new** customer requesting to be served under SC8 or SC9 interruptible gas transportation.

CUSTOMER INFORMATION...

Name/Facility:

10-Digit Acct No:

Mailing Address:

Contact

Person:

24-Hr. Contact:

Tele No.:

Tele No.:

Fax No.:

Fax No.:

MARKETER INFORMATION...

Marketing Company:

Address:

Effective Date:

to

Contact Person:

Tele No.:

Fax No.:

CUSTOMER AUTHORIZATION...

Signature (Transportation Customer)

Title

Print Name

MAIL or EMAIL COMPLETED FORM TO ORANGE AND ROCKLAND;
Attn: Christopher Tofallos, Customer Energy Services Department - Retail Access
1Blue Hill Plz, 2nd Fl, Pearl River, NY 10965
Tofallosc@oru.com

***** IMPORTANT *****
This form must be received by the 25th of the month prior to the gas flow month. NOMINATIONS WILL ONLY BE ACCEPTED ON INFORMATION PROVIDED ON THE LAST FORM ON FILE.



**ORANGE AND ROCKLAND UTILITIES, INC.
APPLICATION FORM FOR QUALIFIED SELLER SERVICE
SERVICE CLASSIFICATION NO. 11**

This is an application to Orange and Rockland Utilities, Inc. ("O&R") for Qualified Seller Service under Service Classification No. 11 (SC-11), of O&R's Schedule for Gas Service (Tariff). As a SC-11 Qualified Seller, Applicant is required to arrange with O&R for the receipt at O&R's city gate of gas purchased on your own behalf or on behalf of O&R Service Classification No. 6 (SC-6) customers for transportation by O&R to your gas meter or the meter(s) of the designated SC-6 customers. In addition, as a Qualified Seller, Applicant must obtain firm upstream pipeline capacity to serve its firm customer needs. Sellers may elect to serve their firm customers' needs by using interstate pipeline capacity released by the Company pursuant to the provisions of O&R's SC-11 Gas Tariff. In order for a party to qualify as a Seller, it must receive a determination of eligibility from the Department of Public Service, execute an Application for Service, and satisfy the requirements of the Uniform Business Practices

As an O&R customer, Applicant also agrees to pay for services supplied at the rates, charges, terms, and conditions of SC-11 in accordance with other applicable provisions of O&R's tariff. Copies of these are available on Orange and Rockland's Internet site at: www.oru.com.

Applicant must complete Parts I and II of this application and return the application along with the current rating agency report set forth in Part II to Orange and Rockland Utilities, Inc. Please send the completed application (Parts I, and II, if available), and required current rating agency report to:

Orange and Rockland Utilities, Inc.
1 Blue Hill Plz, 2nd Fl
Pearl River, NY 10965
Attention: Customer Energy Services Department - Retail Access

O&R will perform the credit review and notify you in writing of the acceptance or rejection of your Application within two weeks of O&R's receipt of all required credit documents. If your Application is rejected based on the credit review, the letter notifying you of the denial of service will set forth the reason(s) for such denial.

In order to qualify for service under SC-11, an Applicant must adequately demonstrate to O&R that it has submitted to the Consumer Services Division of the New York Public Service Commission a copy of its standard gas sales contract and a sample copy of a customer bill.

If you have any questions concerning this Application, please contact O&R's Customer Energy Services Department - Retail Access at: (845) 577-3661.

PART I

1. Account Name: Please enter the legal name and address of the person(s) and/or business that will be responsible for the new account under SC-11:
2. Identification: Type of entity.
- ☐ Individual Partnership
- ☐ Corporation, please identify state of incorporation: _____.
- ☐ Other, please describe: _____.
3. Name and Address for Billing Purposes: Please enter the name and address of the person and/or business to whom Applicant would like invoices sent for SC-11:
4. Telephone Number: Please provide a telephone number for the account: () - .
Alternative telephone number: () - .
5. Fax Number: Please provide a fax number, if any, for the account: () - .
6. Contact Person: Please provide the names, phone numbers, fax numbers, and e-mail addresses:
- a. Of the contact person(s) available on a twenty-four (24) hour basis for communications concerning gas transportation nominations, force majeure events, curtailment, operational flow orders and emergency events concerning gas transportation service under SC-11:
- b. Of contact persons for daily processing functions, including enrollment, drops and account issues:
- c. Of contact persons for legal and/or regulatory matters:

- d. Of contact persons for energy/gas scheduling issues:
- e. Of contact persons for contract and/or credit issues:
- f. Of contact persons for EDI issues:
- g. Of contact persons for marketing issues:

PART II

1. Trade References: Please provide the names, addresses and telephone numbers of three trade references with whom O&R may make reasonable inquiry into creditworthiness:

2. Legal Proceedings: Has Applicant been or is Applicant currently a party in any bankruptcy or insolvency proceedings?

☐ Yes ☐ No

If yes, please indicate below the nature of the proceeding, the caption and docket number of the case, the jurisdiction in which it is pending, the date on which the proceeding was commenced and the status of the proceeding:

3. Are there any outstanding judgments, pending claims, or lawsuits that could impact Applicant's solvency:

☐ Yes ☒ No

If yes, please describe:

4. Credit Review: In accordance with current tariff provisions and the State of New York Public Service Commission's Uniform Business Practices ("UBPs"), Seller must submit to the Company a current rating agency report from Dun and Bradstreet ("D&B"), Standard & Poor's ("S&P's"), Fitch's Investors Service ("Fitch") and Moody's Investors Services ("Moody's"), if available, prior to the execution of Application for Service and must satisfy the creditworthiness requirements set forth in Section 3 of the UBPs.

PART III

ADDITIONAL TERMS AND CONDITIONS

(1) Application is hereby made to O&R for Qualified Seller Service pursuant to the terms and conditions of SC-11 of O&R's Tariff. Applicant agrees to comply with and take service in conformance with the provisions of SC-11 all other applicable provisions of O&R's Tariff and any and all amendments thereto, and to pay for such service at the applicable rates under such service classification. O&R may seek authorization from the New York State Public Service Commission for changes to any rate(s), charges, surcharges, fees, terms and conditions set forth in SC-11 or any other provision(s) of its Tariff as may be deemed necessary by O&R to assure just and reasonable rates, charges and services. This Application becomes an agreement upon commencement of service hereunder.

(2) The term of Applicant's agreement hereunder shall be coextensive with the term of service agreements with Applicant's SC-6 customers; provided, however, that in the event Applicant has no individual customer or aggregation group with gas usage of 3,500 Mcf per year or more, Applicant's service hereunder shall be terminated upon thirty (30) days notice, unless within the ten business days, Applicant adds new SC-6 customers to its aggregation group with annual usage volumes sufficient to bring the aggregation group usage up to the minimum required level.

(3) This Application and the service hereunder are subject in all respects to the provisions of O&R's Tariff and any amendments thereof, and to the rules, regulations, terms and conditions therein set forth, applicable to the particular service provided hereunder, all of which are hereby referred to and made a part hereof.

(4) Applicant hereby authorizes O&R and its properly authorized agents to obtain and analyze credit information regarding Applicant for the purpose of evaluating Applicant's creditworthiness and agrees that neither O&R nor its agents shall Applicant's application's acceptance or rejection as a result of such evaluation.

(5) O&R shall have no responsibility with respect to gas delivered by Applicant hereunder before such gas is delivered to O&R's city gate or after O&R delivers such gas to Qualified Seller's meter or Qualified Seller's SC-6 customers' meters, or on account of anything which may be done, happen or arise with respect to such gas before delivery to O&R or after delivery by O&R to Qualified Seller or Qualified Seller's SC-6 customers.

(6) Applicant warrants that it will, at the time it delivers gas to O&R for transportation, have good and merchantable title or rights to all such gas free and clear of all liens, encumbrances and claims whatsoever. Applicant shall indemnify O&R and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising out of the adverse claims of any or all persons to said gas including claims for any royalties, taxes, license fees or charges applicable to such gas or to the delivery of such gas to O&R for transportation.

(7) This Agreement and the rights, liabilities and obligations of the parties hereunder are subject to all present and future valid laws with respect to the subject matter, State and Federal, and to all valid present and future orders, rules and regulations of duly constituted authorities having jurisdiction.

(8) Except as otherwise provided herein, neither party shall transfer or otherwise assign its rights and obligations under this Agreement without the express written consent of the other party.

(9) This Agreement and O&R's Tariff constitute the complete agreement and understanding between the parties hereto with respect to the subject matter hereof, and supersede any and all prior existing agreements or understandings between the parties hereto. No alteration, amendment or modification of the terms and conditions of this Agreement shall be valid unless made pursuant to any instrument in writing signed by each of the parties hereto. This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(10) To the best of my knowledge and belief, the information provided herein is accurate and no attempt has been made to misrepresent the facts.

Orange and Rockland Utilities, Inc.

Gas Transportation
Operating Procedures

The term of this Agreement shall be as specified above, commencing upon service hereunder.

Name:

Title:

Date:

* * * * *

Upon completion, please mail this Application for Service to:

Orange and Rockland Utilities, Inc.
Attention: Customer Energy Services Department - Retail Access
1 Blue Hill Plz, 2nd Fl
Pearl River, NY 10965

GASelect Marketer Application2002.doc/group

Please Complete and Fax Below Affidavit to:
Orange and Rockland at
or Mail it to: Even Renwick, 390 W Route 59, Spring Valley, NY 10977

ORANGE AND ROCKLAND UTILITIES, INC.

CUSTOMER’S AFFIDAVIT FOR SERVICE CLASSIFICATION NOS. 8 & 9

(hereafter “Customer”), by its officer, principal or partner or, for the Alternate Fuel/Energy Source Option only, by a person authorized to bind Customer, intends to receive or is receiving service from Orange and Rockland Utilities, Inc. (“Orange and Rockland” or the “Company”) under Service Classification Nos. 8 & 9 (SC 8 & SC 9) of its Schedule for Gas Service, P.S.C. No. 4 – GAS (the “Schedule”) and submits the following affidavit to Orange and Rockland:

STATE OF NEW YORK, CITY OF

Customer’s Full Name:

Customer’s Service Address:

Customer’ Account Number:

Customer attests that:

(Please select one of the following two options, but note that availability of each option is subject to applicable eligibility requirements.)

ALTERNATE FUEL/ENERGY SOURCE OPTION

- (i) Customer’s type of alternate fuel/alternate energy source is (check as appropriate): Diesel: ; Kerosene: ; Propane: ; No. 2 fuel oil: ; No. 4 fuel oil: ; No. 6 fuel oil _____; Other: _____(specify).
- (ii) Customer has the following on-site storage facilities for its alternate fuel: Number of storage tanks on site: _____; Total number of gallons of storage capacity: _____; Total estimated peak days of storage: _____.
- (iii) SC 8 and SC 9 Customer’s on-site alternate fuel storage capacity will be filled as of November 1, and Customer will maintain operable alternate fuel equipment.
- (iv) There is in place one or more executed contract(s) with one or more suppliers for diesel, kerosene, propane, No. 2 fuel oil, No. 4 fuel oil, and/or No. 6 fuel oil, as applicable, to provide for the delivery of such alternate fuel during the Winter Season (i.e., November 1 through March 31) in quantities equal to the difference between Customer’s alternate fuel requirement (described below), and the amount of Customer’s on-site alternate fuel. Alternate fuel deliveries under said contract(s) are available to the Customer during the Winter Season on an as-needed basis. (The alternate fuel requirement for SC 8 and SC 9 Customers is ten days of fuel reserves based on peak Winter Season requirements. The reserve requirement can be met through a combination of on-site storage and arrangements with alternate fuel providers to supply Customer with the additional amount required to meet the Customer’s reserve requirement. Customers initiating service on or after December 1, 2001 are required to have at least 3 days of on-site storage of their alternate fuel.)

- (v) Customer understands that it is subject to the penalties, charges and other consequences, including termination of service, as set forth in SC 8 and SC 9, as applicable, of the Company's Schedule, for failure to meet the Company's alternate fuel requirements and/or cease using gas as required.
- (vi) I have read and understand all of Customer's obligations under SC 8 and SC 9, as applicable, including that Customer is responsible for replenishing its alternate fuel storage throughout the Winter Season as necessary to meet the Customer's total fuel obligations, as applicable, whenever and so long as service under SC 8 and SC 9, as applicable, is interrupted.

Oil Dealers Contact Information

Company Name _____
Contact Person _____
Telephone Number (O) _____ (C) _____
Email Address _____

OPERATIONAL SHUT-DOWN OPTION (an Officer, Principal or Partner Must Sign)

- (i) Customer is a process load customer (as that term is defined in SC 8) whose operations Customer can timely shut down in response to a called interruption.
- (ii) Customer is NOT a school or human needs customer (as the latter term is defined in SC 8) or an electric generator.
- (iii) In accordance with the New York Public Service Commission's May 23, 2012 *Order Directing Certain Utilities to Submit Tariff Amendments* in Case 11-G-0543, Customer will, in lieu of the requirement to maintain a full alternate fuel supply during the Winter Season: (1) shut down its operations for the duration of any and all called interruptions; and (2) continue to comply with all other interruptible service provisions described in Orange and Rockland's Schedule.
- (iv) Customer understands and acknowledges that it is subject to penalties, charges and other consequences as set forth in SC 8, as applicable, of the Company's Schedule for failing to shut down operations during a called interruption, including but not limited to the Company taking steps, at Customer's expense, to physically terminate gas service to the Customer's premises without prior notice in the event of Customer's failure to cease using gas as required.

Customer elects the _____ Option.

Customer' Name: _____

By: Officer, Principal, Partner or Authorized Person {Signature}:.....

Print name: _____

Title: _____

Subscribed and sworn to before me this _____ day of _____, 20 .

Notary Public

[Affix Notary's Stamp]

ORANGE AND ROCKLAND UTILITIES, INC.

AFFIDAVIT FOR SERVICE CLASSIFICATION NO. 11

An officer of a Marketer taking service from Orange and Rockland Utilities, Inc. ("Orange and Rockland" or the "Company") under Service Classification No. 11 (SC 11) of its Schedule for Gas Service, P.S.C. No. 4 – GAS, who has not subscribed to the Company's capacity release offering, or who has subscribed to the Company's capacity release offering at less than the required Maximum Aggregated Daily Contract Quantity ("MAX ADCQ") as defined in SC 11, must complete the following affidavit:

AFFIDAVIT OF FIRM TRANSPORTATION

STATE OF.....

CITY OF.....

Name....., being duly sworn, says:

I am of
Title of Officer Company Name of Marketer
and I attest that:

- (i)

As Seller under SC 11, there is in place and there will continue to be in place one or more executed contract(s) with one or more interstate pipeline(s) providing non-recallable firm transportation with primary delivery point capacity from the source of the gas supply to Orange and Rockland's Citygate dedicated to the full requirement of deliveries for the account(s) of Seller's firm transportation customer(s) for the 20__-20__ winter season (November 1, 20__-March 31, 20__) ("Winter Season"). If Seller has elected to meet a portion of its customers' full requirements with capacity released by the Company, the aforementioned firm transportation contracts must be adequate to cover a daily quantity equal to the MAX ADCQ less the quantity of capacity released by the Company.
- (ii)

I understand that when the aggregate MAX ADCQ of Seller's firm customers increases during the Winter Season such increase must be supported by additional non-recallable firm transportation contracts with primary delivery point capacity to the Citygate for the remainder of the Winter Season.
- (iii)

Attached hereto is documentation to support the firm transportation attested to herein. I understand that Seller must provide additional documentation if its aggregate maximum daily quantity increases during the Winter Season.
- (iv)

I understand that in addition to any and all other remedies Orange and Rockland may have in law and/or equity, Seller is subject to penalties for misrepresentations within this Affidavit as set forth in SC 11 of the Company's Schedule for Gas Service, P.S.C. No. 4 – GAS.

Officer's Signature_____
Subscribed and sworn to before me this____day of_____, 20__

**SUPPORTING INFORMATION FOR VERIFICATION
OF PRIMARY DELIVERY POINT CAPACITY**

This form must be attached to the form of Affidavit for SC11 Transportation Service.

Pipeline: (please check appropriate box)

- ☐ Tennessee
- ☐ Algonquin
- ☐ Columbia
- Columbia Gulf
- Texas Eastern

Capacity Release Offer Number: _____

Contract Number: _____

Volume - Dth Per Day: _____

Contract Term: _____

The following Release must be completed in order for Orange and Rockland to access information that may not yet be publicly available on the transporting pipeline's website or EBB. Please submit an executed copy of this release with your Marketer Affidavit. If your company is not the holder of the transportation capacity identified on this Documentation Form, please have a copy of this release completed by the holder of the transportation capacity and remitted to Orange and Rockland via facsimile number 845-577-3602.

RELEASE OF PIPELINE INFORMATION

I, _____ (Title) of _____ (Corporation), do hereby authorize _____ (Pipeline) to immediately release to representatives of Orange and Rockland Utilities, Inc. ("O&R"), such information concerning the above-identified transportation contracts and/or capacity releases as will be necessary for O&R to ascertain that the transportation capacity held by _____ (Corporation) covers the period from November 1, 20__ through March 31, 20__, and is firm, non-recallable capacity from the source of gas supply to the citygate of O&R, with primary delivery point capacity at the citygate. Specifically, I authorize the release of information regarding the quality (i.e., firm vs. interruptible) of the transportation service(s); the receipt and delivery point(s) identified in the transportation service agreement(s) and its amendments and releases, if any, and the volumes associated with those points; the volumes covered by the transportation service agreement (s) and any releases thereof; the term of the transportation service agreement(s) and any releases thereof; and whether any releases are recallable.

By: _____

Title: _____

Dated: _____

Capacity Release Service Agreement No. _____
Pipeline(s): _____
Marketer Account No.: _____

This **Capacity Release Service Agreement** is entered into as of _____,
20____, by and between **Orange and Rockland Utilities, Inc.** ("Orange and Rockland") and
_____"("Qualified Seller" or "Seller").

WITNESSETH:

WHEREAS, Orange and Rockland desires to release its rights and obligations to certain entitlements of transportation capacity on interstate pipelines; and

WHEREAS, Qualified Seller desires to assume such rights and obligations.

NOW THEREFORE, in consideration of the premises and covenants contained herein, Orange and Rockland and Seller agree as follows:

1. Release and Assumption. Subject to the terms and conditions hereof, Orange and Rockland releases its rights and obligations (as set forth in the service agreements of the following pipelines), and Qualified Seller assumes those rights and obligations, effective November 1, 200____, with respect to:

_____ (all such capacity is hereafter referred to as "Released Capacity" and all such pipelines as "the Pipelines"), based on Qualified Seller's firm customer pool as of September, 20____. The quantity of Seller's Released Capacity may increase or decrease from month to month during the period from November 1, 20____ through October 31, 20____ to the extent necessary to reflect changes in Seller's firm customer pool after November 1, 20____. Any such changes in the amount of Seller's Released Capacity will be reflected on the applicable Pipeline(s) electronic bulletin board(s) and shall be subject to all of the terms and conditions set forth in this Agreement.

2. Conditions. This release and assumption is conditioned upon the following:
- (A) Seller complying with the Federal Energy Regulatory Commission ("FERC") regulations and Gas Tariffs of the Pipeline(s) on which capacity is released.
- (B) Seller paying the Pipelines for the Released Capacity in accordance with the Pipelines' respective FERC Gas Tariffs.

- (C) Seller satisfying the credit requirements prescribed by the FERC Gas Tariffs of the Pipelines on which capacity is released and providing Orange and Rockland, when requested, with appropriate documentation of continued compliance with those requirements. Seller shall also notify Orange and Rockland immediately of any change in its financial circumstances that results in non-compliance with the Pipelines' requirements.
3. Term. The Released Capacity shall be released to the Seller commencing at 10:00 A.M. Eastern Time on November 1, 20 and shall continue until 10:00 A.M. Eastern Time on November 1, 20__.
4. Character of Release. Capacity releases shall be effectuated in accordance with FERC regulations and Gas Tariff(s) of the Pipelines on which capacity is released. Orange and Rockland's release of capacity shall not constitute a guarantee of any particular level of service by the Pipelines on which capacity is released. Orange and Rockland shall not be liable to a Seller in any way for interruptions of service by the Pipelines, but represents that the Seller's Released Capacity is firm, primary delivery point capacity or is part of a path of firm, primary delivery point capacity to Orange and Rockland's citygate.
5. Tariffs. This Agreement is subject to and the parties shall be bound by the terms and conditions of Service Classification No. 11 of Orange and Rockland's Schedule for Gas Service PSC No. 4 ("the Schedule"), Orange and Rockland's Gas Transportation Operating Procedures Manual ("GTOP"), and the provisions of the Pipelines' FERC Gas Tariffs relating to capacity releases.
6. Receipt Points. The following points of receipt under Orange and Rockland's service agreements with the Pipelines shall be available to Seller:
- _____
- _____
- _____.
7. Delivery Points. The following points of delivery under Orange and Rockland's service agreements with the Pipelines shall be available to Seller: Orange and Rockland's Citygate – Scheduling Point #54 (Columbia) and Scheduling Point #40 (Algonguin).
8. Payment of Pipeline Charges, Seller's Reimbursement Obligation and Orange and Rockland's Termination Right. Seller shall pay the Pipelines directly for all charges associated with the use of the Released Capacity, including (without limitation) demand charges, commodity charges, taxes, surcharges, fuel allowances, imbalance and overrun charges, penalties, and other applicable charges. If a Seller fails to pay the Pipeline(s) for any charges resulting in Orange and Rockland receiving less than the full credit from the Pipeline(s) to which it was otherwise entitled, Seller shall, no later than five (5) business days after its receipt of Orange and Rockland's invoice, reimburse Orange and Rockland for all such amounts, plus:
- i. interest on the unpaid pipeline charges at the rate prescribed in General

- Information Section 6 of the Schedule, and
- ii. an amount based upon the applicable tax surcharge factor specified on Orange and Rockland's then-effective "Statement of Increase in Rates and Charges".

Orange and Rockland may terminate Seller's Capacity Release Service Agreement immediately (or at any time thereafter) upon receipt of notice that Seller has failed to pay the Pipeline(s) for any of the Pipeline charges described above. Such termination shall not affect Orange and Rockland's right to reimbursement from Seller as described above.

9. Balancing. Seller is responsible for:

- (i) monitoring its deliveries of gas to and receipts from the Pipelines; and
- (ii) avoiding, eliminating, or paying for imbalances that arise on the Pipeline's system because of Seller's use of the Released Capacity.

10. Indemnification and Warranty. Seller shall indemnify Orange and Rockland from all losses and damages resulting from the actions or inactions of the Seller under this Capacity Release Service Agreement with Orange and Rockland and under the Pipeline(s)' service agreement(s). Seller also warrants that it will hold title to any gas transported under the Pipeline(s)' service agreement(s).

11. Recalls of Capacity. The Released Capacity, or any portion thereof, may be recalled by Orange and Rockland for any of the following reasons:

(i) to the extent that Seller's Maximum Aggregated Daily Contract Quantity ("MADCQ") applicable to firm customers served by Seller behind Orange and Rockland's Citygate decreases (as determined in accordance with the Schedule); (ii) if the Seller fails to comply with the terms and conditions of the Schedule, Orange and Rockland's GTOP or this Capacity Release Service Agreement; (iii) if the Seller fails to comply with the Pipelines' capacity release provisions; (iv) when required to preserve the integrity of Orange and Rockland's facilities and service; or (v) whenever Capacity Release Seller fails to deliver gas to Orange and Rockland equal to the aggregate MADQC's of its customers.

12. Notices. Any formal communications concerning this Agreement shall be in writing and delivered either by hand, by first class mail, or by facsimile to the appropriate address, as follows:

To Orange and Rockland:

~~Peter T. Carnavos~~ Kathleen Trischitta
Director – Energy Management
Consolidated Edison Company of New York, Inc.
111 Broadway
New York, N. Y. 10006

Tel. No: 212-466-8248

To Qualified Seller:

Name:.....

Address:

Tel. No.:

Fax No:

IN WITNESS WHEREOF, the parties have caused this Capacity Release Service Agreement to be signed by their respective officers and attested as of the date first written above.

ORANGE AND ROCKLAND UTILITIES, INC.

By:.....
Name

QUALIFIED SELLER

By:.....
Name/Title

CON
EDISON

Orange and
Rockland

CAPACITY RELEASE SERVICE AGREEMENT

Capacity Release Agreement No. ____

This Capacity Release Service Agreement (the "Agreement") is entered into as of _____, by and among

Consolidated Edison Company of New York, Inc. ("Con Edison"), **Orange and Rockland Utilities, Inc.** ("O&R"), _____ ("Capacity Release Seller/Qualified Seller", as these terms are defined in Con Edison's and O&R's Schedules for Gas Service) and _____, Capacity Release Seller/Qualified Seller's Agent/Designee (hereinafter "its Agent") if an Agent is so designated below.

WITNESSETH:

WHEREAS, Con Edison and O&R desire to release their rights and obligations to certain entitlements of transportation capacity on interstate pipelines; and

WHEREAS, Capacity Release Seller/Qualified Seller (hereafter "Seller") and/or its Agent desires to assume such rights and obligations.

NOW, THEREFORE, in consideration of the premises and covenants contained herein, Con Edison, O&R, Seller and its Agent (if any) (together, the "Parties") agree as follows:

- 1. Release and Assumption.** Subject to the terms and conditions hereof, Con Edison and O&R will release their capacity rights and obligations (as set forth in the service agreements of certain releasing interstate pipelines) and the Seller and/or its Agent will assume those rights and obligations, effective November 1, _____ for service under the releasing pipelines' respective Rate Schedules (all such capacity is hereafter referred to as the "Released Capacity" and all such pipelines as "the Pipelines"), based on Seller's projected firm customer pool as of November 1, _____. On or about October 1, _____, Con Edison and O&R will send an electronic mail notification ("Email Notification") to the Seller and/or its Agent advising it of the specific Pipelines and quantities per day of delivery capacity that it is releasing to Seller for the annual period commencing on November 1, _____. Unless Seller and/or its Agent, within two (2) business days of its receipt of the Email Notification, notifies Con Edison and O&R via return Email that Seller rejects or seeks to revise the Email notification, it shall be binding on the Parties. Any requested revisions to the Email Notification must be accepted by Con Edison and O&R by sending a Revised Email Notification to Seller before it will be binding on the Parties. The quantity of Released Capacity may increase or decrease from month to month during the period from November 1, _____ through October 31, _____, to the extent necessary to reflect changes in Seller's firm customer pool after November 1, _____. Any such changes in the amount of Released Capacity will be (i) reflected on the applicable Pipeline(s) electronic bulletin board(s) and (ii) sent by Con Edison and O&R via Email Notification to the Seller and shall be subject to all of the terms and conditions set forth in this Agreement. (Subject to the terms and conditions set forth in this Agreement, Seller may assume the rights and obligations for the Released Capacity either as a principal or as an agent for its customers.)

2. Conditions. This release and assumption is conditioned upon the following:
 - (A) Seller and/or its Agent complying with (i) Federal Energy Regulatory Commission ("FERC") regulations and policies, including without limitation regulations and policies addressing "shipper must-have-title" and (ii) Gas Tariffs of the Pipeline(s) on which capacity is released.
 - (B) Seller and/or its Agent paying the Pipelines for the Released Capacity in accordance with the Pipelines' respective FERC Gas Tariffs.
 - (D) Seller and/or its Agent satisfying the credit requirements prescribed by the FERC Gas Tariffs of the Pipelines on which capacity is released and providing Con Edison and O&R, when requested, with appropriate documentation of continued compliance with those requirements. Seller and/or its Agent shall also notify Con Edison and O&R immediately of any change in its financial circumstances that results in non-compliance with the Pipelines' requirements.
3. Term. The Released Capacity shall be released, at the direction of the Seller, to either the Seller or its Agent, commencing at 10:00 A.M. Eastern Standard Time on November 1, 2013 and shall continue to be released until 10:00 A.M. Eastern Standard Time on November 1, 2014.
4. Character of Release. Capacity releases shall be effectuated in accordance with FERC regulations and Gas Tariff(s) of the Pipelines on which capacity is released. Con Edison's and O&R's release of capacity shall not constitute a guarantee of any particular level of service by the Pipelines on which capacity is released. Con Edison and O&R shall not be liable to Seller and/or its Agent in any way for interruptions of service by the Pipelines, but represent that the Released Capacity will be firm, primary delivery point capacity or will be part of a path of firm, primary delivery point capacity to Con Edison's and/or O&R's Citygates.
5. Tariffs. The Parties shall be subject to and bound by the terms and conditions of Con Edison's Service Classification No. 20 of the Schedule for Gas Service-PSC No. 9 Gas, O&R's Service Classification No. 11 of the Schedule for Gas Service-PSC No. 4 (both the Con Edison and O&R Tariff Schedules are hereafter together referred to as "the Schedule"), Con Edison's Gas Sales and Transportation Operating Procedures Manual, O&R's Gas Transportation Operating Procedures Manual (together the Companies' Manuals are referred to as the "GTOP") and the provisions of the Pipelines' FERC Gas Tariffs relating to capacity releases.
6. Receipt Points. Depending on the specific Pipelines on which capacity is released to Seller (see Section 1 above), the following points of receipt shall be available to Seller and/or its Agent: (i) under Con Edison's service agreements with the Pipelines: Texas Eastern: ELA, STX, WLA, M1; Tennessee: Z0 – 100 Leg; Z1 - 500 Leg and Z1 – 800 Leg; Iroquois: Waddington; Transco: Leidy; Transco: Z1-Z6, Z2-Z6, and Z3-Z6; National Fuel: Niagara; Iroquois: Brookfield; Algonquin: Ramapo; Millennium: Independence; and (ii) under O&R's service agreements with the Pipelines:

Columbia: Gulf-Rayne, LA, Leach, KY, Eagle, PA, Milford, PA, Broad Run, WV and Hi Hat Appalachian Pool; Tennessee: Zone 0 100 Leg and Zone 1 500/800 Leg; Niagara and Z4-Marcellus Region, PA; Texas Eastern: ELA, WLA, STX, ETX and M1; and Algonquin: Hanover, NJ.

7. Delivery Points. Depending on the specific Pipelines on which capacity is released to Seller (see Section 1 above), the following points of delivery (and delivery point entitlements) shall be available to Seller and/or its Agent: (i) under Con Edison's service agreements with the Pipelines: Texas Eastern: Goethals; Tennessee: White Plains; Iroquois: South Commack; Transco: Manhattan; National Fuel: Leidy; Iroquois: Hunts Point; Algonquin: Brookfield; Millenium: Ramapo; National Fuel: Independence and (ii) under O&R's service agreements with the Pipelines: O&R's Citygate Scheduling Point #54 (Columbia) and Scheduling Point #40 (Algonquin) and Scheduling Point #020293 (Tennessee) and Scheduling Point # 600323 (Millennium).
8. Costs for Scheduling Gas at Other Receipt/Delivery Points. Seller shall be responsible for all costs, i.e., variable, demand, fuel retention, etc., that are incurred by the Companies as a result of scheduling gas at points other than the Pipelines' receipt and/or delivery points specified in Sections 6 and 7 above as well as all costs incurred as a result of segmenting the Released Capacity. In addition, any such scheduling or segmenting of the Released Capacity by Seller shall not impact the use of the Companies' own (non-released) capacity on that Pipeline. If any such impact should occur, Seller shall be responsible for (i) adjusting its use of the Released Capacity to remedy or remove the impact and (ii) promptly making the Companies whole for any damages sustained as a result of the impact.
9. Payment of Pipeline Charges, Seller and/or its Agent's Reimbursement Obligation, and Con Edison's and O&R's Termination Rights. Seller and/or its Agent shall pay the Pipelines directly for all charges associated with the use of the Released Capacity, including (without limitation) demand charges, commodity charges, taxes, surcharges, fuel allowances, imbalance and overrun charges, penalties, and other applicable charges. If Seller and/or its Agent fails to pay the Pipeline(s) for any charges resulting in Con Edison and/or O&R receiving less than the full credit from the Pipeline(s) to which they or it was otherwise entitled, Seller and/or its Agent shall, no later than five (5) business days after receipt of Con Edison's and O&R's invoice, reimburse Con Edison and/or O&R for all such amounts, plus:
 - i. interest on the unpaid pipeline charges at the rate prescribed for Con Edison by General Rule III. (8) (L) of the Schedule and for O&R in General Information Section 6 (6) (1) of the Schedule; and
 - ii. for Con Edison, an amount in respect of Gross Receipts Taxes based upon the applicable total effective percentage increase specified on Con Edison's then-effective Statement of Percentage Increase in Rates and Charges and for O&R, an amount based upon the applicable tax surcharge factor specified on O&R's then-effective "Statement of Increase in Rates and Charges".

Con Edison and O&R may terminate this Agreement immediately (or at any time thereafter) upon receipt of notice that Seller and/or its Agent has failed to pay the Pipeline(s) for any of the Pipeline

charges described above. Such termination shall not affect Con Edison's and/or O&R's right to reimbursement from Seller and/or its Agent as described above.

10. Balancing. Seller and/or its Agent is responsible for:

- (i) monitoring deliveries of gas to and receipts from the Pipelines; and
- (ii) avoiding, eliminating, or paying for imbalances that arise on the Pipelines' systems because of Seller's and/or its Agent's use of the Released Capacity.

11. Indemnification and Warranty. Seller and/or its Agent shall indemnify, defend and hold harmless Con Edison and O&R from all losses, damages and penalties resulting from the failure by the Seller and/or its Agent to satisfy any of the conditions set forth in Section 2 hereof or to perform any obligation under this Capacity Release Service Agreement with Con Edison and O&R and under the Pipeline(s)' service agreement(s). Seller and its Agent also warrant that capacity released hereunder shall be used only to transport gas to which the holder of the capacity also has title.

12. Recalls of Released Capacity. The Released Capacity, or any portion thereof, may be recalled by Con Edison and/or O&R for any of the following reasons:

- (i) to the extent that the amount of the total Maximum Daily Quantities ("MDQs") for Con Edison or Maximum Aggregated Daily Contract Quantity ("MADCQ") for O&R, applicable to firm customers served by Seller behind Con Edison's or O&R's Citygate decrease (as determined in accordance with the Schedule); or
- (ii) if Seller and/or its Agent fails to comply with the terms and conditions of the Schedules, Con Edison's or O&R's GTOP or this Capacity Release Service Agreement; or
- (iii) if Seller and/or its Agent fails to comply with the Pipelines' capacity release provisions; or
- (iv) when required to preserve the integrity of Con Edison and/or O&R's facilities and service; or
- (v) whenever Seller and/or its Agent fails to deliver gas to Con Edison or O&R equal to the aggregate MDQs/MADCQs of Seller's customers.

13. Notices. Any formal communications concerning this Agreement shall be in writing and delivered promptly either by hand, by first class mail, by Email or by facsimile to the appropriate address, as follows:

To: Con Edison and O&R:

Michele Doyle
Manager, Gas Transportation Services and Planning
Consolidated Edison Company of New York, Inc.
111 Broadway, Suite 1601
New York, N. Y. 10006
Tel. No.: 212-466-8240 Fax No.: 212-528-0397
Email: doylem@coned.com

Beetchin Joseph
Manager, Customer Energy Services
Orange & Rockland Utilities, Inc.
1 Blue Hill Plz, 2nd Fl
Pearl River, NY 10965
Tel. No.: 845-577-2441
Email: josephb@oru.com

To: Seller:

Name: _____
Address: _____
Tel. No.: _____
Fax No.: _____

Email:

To: Seller's Agent:

Name: _____
Address: _____
Tel. No.: _____
Fax No.: _____

Email:

IN WITNESS WHEREOF, the above-identified parties have caused this Capacity Release Service Agreement to be signed by their respective duly authorized representatives as of the date and year first above written.

**CONSOLIDATED EDISON COMPANY OF NEW YORK,
INC. AND ORANGE AND ROCKLAND UTILITIES, INC.**

By:.....
Peter T. Carnavos, Director – Energy Management

CAPACITY RELEASE SELLER/QUALIFIED SELLER NAME

By:
Name/Title

CAPACITY RELEASE SELLER'S/QUALIFIED SELLER'S AGENT/DESIGNEE

By:
Name/Title