

PSC NO. 4 GAS LEAF: 166.11

ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 4
INITIAL EFFECTIVE DATE: February 19, 2004 SUPERSEDING REVISION: 2
Issued in compliance with Orders of the Public Service Commission dated
December 19, 2003 in Case Nos. 98-M-1343, 99-M-0631, and 03-M-0017.

SERVICE CLASSIFICATION NO. 11 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

(I) Transportation Service Billing Options

A Marketer may choose to offer one or more of the following billing arrangements to its transportation service customers: Utility Single Bill, Marketer Single Bill or Two Separate Bills. The Marketer must comply with the requirements of General Information Section No. 6.5(2) regarding these arrangements.

(J) Seller Deposit and Prepayment Requirements

1. Sellers shall provide evidence to the Company of credit-worthiness as required by order of the Public Service Commission in Case 00-M-0504, issued and effective May 9, 2002, before requesting or accepting deposits and/or prepayments from their small commercial customers. This evidence shall be in the form of:

- a) A minimum bond rating of "BBB" from S&P, "Baa 2" from Moody's, or "BBB" from Fitch, for either the Seller or its parent, if the parent agrees to act as guarantor for the Seller, or
- b) Letter of Credit or Escrow account with an "A" rated financial institution.

The evidence relating to prepayments shall be in the form of a minimum bond rating of "BBB" from S&P, "Baa 2" from Moody's, or "BBB" from Fitch, for either the Seller or its parent, if the parent agrees to act as guarantor for the Seller.

This evidence shall be submitted annually to the Company August 1.

- 2. Deposits will not be transferred from the Company to an Seller.
- 3. A Seller will maintain records of deposits and prepayments made by customers to the Seller in a manner to be readily available for inspection upon request by the Department of Public Service Staff. A Seller shall file a report with the Commission regarding such customer deposits and prepayments in the manner and form required by the Commission.
- 4. Sellers will provide notice of these requirements to a new customer before the customer makes a deposit or prepayment.
- 5. The Company shall not be liable to customers for an Seller's failure to refund or return prepayments and/or deposits.

Issued By: John D. McMahon, President, Pearl River, New York
(Name of Officer, Title, Address)