

PSC NO. 4 GAS

ORANGE AND ROCKLAND UTILITIES, INC. LEAF: 113.2
 INITIAL EFFECTIVE DATE: November 1, 2010 REVISION: 2
 SUPERSEDING REVISION: 1
 Issued in compliance with Commission order in Case 08-G-1398, dated 10/16/09

GENERAL INFORMATION

25. REVENUE DECOUPLING MECHANISM ("RDM") ADJUSTMENT (Continued)

(C) Delivery Revenue Targets (Continued)

Temporary Surcharge described in General Information Section No. 12.2(H)) divided by the average number of customers as defined in Appendix K to the Joint Proposal dated June 29, 2009 and adopted by the Commission in its Order issued and effective October 16, 2009 in Case No. 08-G-1398.

RPC Targets will be adjusted to reflect delivery rate changes that occur during the 36-month period ending October 31, 2012. The RPC Targets for the 12-month periods ending October 31, 2010 and 2011 for each customer group included in the RDM are listed below.

	<u>Group A</u>	<u>Group B</u>
Applicable November 1, 2009 through October 31, 2010	\$625.71	\$2,575.86
Applicable November 1, 2010 through October 31, 2011	\$691.11	\$2,641.60

RPC Targets for the 12-month period ending October 31, 2012 will be computed prior to the beginning of that period by dividing the delivery revenue for the period by the actual average numbers of customers for the 12-month period ended August 2011.

The delivery revenues to calculate the RPC targets for the 12-month period ending October 31, 2012 are as follows:

	<u>Group A</u>	<u>Group B</u>
Applicable November 1, 2011 through October 31, 2012	\$90,227,559	\$21,807,814

At the conclusion of each 12-month period ending October 31, 2010, 2011 and 2012, a Delivery Revenue Target for each customer group will be computed by multiplying the RPC Target by the actual average number of customers for the period.

Adjustments to the Delivery Revenue Targets may be necessary if new legislation or regulation results in a change in delivery revenues for some or all service classifications included in the RDM.

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 (Name of Officer, Title, Address)