

Orange and Rockland Utilities, Inc. 4 Irving Place
New York NY 10003-0987
www.oru.com

October 1, 2010

Honorable Jaclyn A. Brilling Secretary State of New York Public Service Commission Three Empire State Plaza Albany, New York 12223

RE: Case No. 08-G-1398, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Orange and Rockland Utilities, Inc. for Gas Service

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. (the "Company") hereby submits for filing tariff leaves reflecting revisions to its Schedule for Gas Service, P.S.C. No. 4 – GAS ("Gas Tariff").

The tariff leaves set forth in Appendix A to this letter, and filed electronically today, become effective on November 1, 2010.

This filing is made in compliance with the Commission's Order Adopting Joint Proposal and Implementing a Three-Year Rate Plan, issued October 16, 2009, in Case No. 08-G-1398 ("Rate Order"). In the Rate Order, the Commission approved the terms of a gas rate plan for the Company for the period November 1, 2009 through October 31, 2012 ("Gas Rate Plan"). The enclosed tariff leaves reflect the following modifications to the Gas Tariff in order to implement the Rate Year Two rate and tariff provisions in accordance with the Rate Order. Rate Year Two covers the twelve-month period ending October 31, 2011.

Summary of Tariff Modifications

General Information Section No. 6.5, "Rendering of Bills", specifically Section No. 6.5(2)(B) relating to the rendering of bills to customers participating in the Company's Gas Transportation Service Program under the Utility Single Billing Service option, has been modified to update the Purchase of Receivables ("POR") Discount Percentage.

The Credit and Collections Costs component of the POR Discount Percentage has been updated to its Rate Year Two level in accordance with the Gas Rate Plan. The Uncollectibles Percentage has been updated based on the Company's actual uncollectibles experience applicable to all gas and electric POR-eligible customers for the twelve-month period ended June 30, 2010. The Risk Factor component has been reset at 20 percent of the Uncollectibles Percentage.

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- 2. General Information Section No. 12.2(B), Transition Adjustment for Competitive Services ("TACS"), has been modified as follows.
 - The Merchant Function Charge ("MFC") Fixed Component Lost Revenue target has been updated to reflect the Rate Year Two levels of the competitive supplyrelated MFC component and the credit and collections MFC component.
 - The Credit and Collections Lost Revenue Associated with Retail Access component target has been updated to reflect the Rate Year Two level of PORrelated credit and collections costs.
- 3. The Uncollectibles Percentage in General Information Section No. 12.2(I), Balancing Charge has been updated based on the Company's actual uncollectibles experience applicable to all electric and gas POR-eligible customers for the twelve-month period ended June 30, 2010.
- 4. General Information Section No. 12.4(C), Merchant Function Charge (MFC) Determination of MFCs has been modified to update the Uncollectibles Charge component of the MFC based on the Company's actual uncollectibles experience applicable to all electric and gas POR-eligible customers for the twelve-month period ended June 30, 2010.
- 5. Riders B and C have been updated to reflect increased delivery charges in accordance with the Rate Order.
- 6. General Information Section No. 25, Revenue Decoupling Mechanism ("RDM")
 Adjustment, Delivery Revenue Targets, has been updated to reflect the Rate Year Two revenue per customer targets.
- 7. Service Classification Nos. 1, 2 and 6 have been updated to reflect increased Delivery Charges in accordance with the Rate Order.

The Company will publish notice of this filing in accordance with Public Service Law §66(12)(b).

Questions regarding this filing can be directed to me at (212) 460-3308.

Very truly yours,
William a Otto

William A. Atzl, Jr. Director – O&R Rates

Orange & Rockland Utilities Inc. Case 08-G-1398 - Rates Effective November 1, 2010 APPENDIX A

P.S.C. No. 4 Gas

Leaf	33.3	Revision	9
Leaf	79.1	Revision	4
Leaf	80.3.2	Revision	1
Leaf	82	Revision	10
Leaf	94.9	Revision	7
Leaf	94.10	Revision	7
Leaf	94.16	Revision	10
Leaf	113.2	Revision	2
Leaf	114	Revision	20
Leaf	116	Revision	23
Leaf	130	Revision	20