PSC NO: 4 GAS ORANGE AND ROCKLAND UTILITIES, INC. INITIAL EFFECTIVE DATE: 12/01/13 STATEMENT TYPE: MFC STATEMENT NO: 87

RECEIVED: STATUS: EFFECTIVE:

STATEMENT OF MERCHANT FUNCTION CHARGE

Effective for Service Rendered On or After December 1, 2013 Applicable to the Billing Under Service Classification Nos 1 and 2 of the Schedule for Gas Service of

ORANGE AND ROCKLAND UTILITIES, INC.

Service Classification Nos. 1 and 2 (Cents/Ccf)

	<u>SC1</u>	<u>SC2</u>
Commodity Procurement	1.181	0.413
Credit and Collections	0.678	0.232
Storage Working Capital (Supply-Related)	0.259	0.259
Uncollectibles (1)	0.258	0.072
Total	2.376	0.976

(1) Calculation of Uncollectible Rate

	<u>SC1</u>	<u>SC2</u>
Uncollectible Percentage (UC%)	0.515%	0.145%
Gas Supply Charge (Statement No. GSC - 161)	49.81	49.81
Uncollectible Charge (GSC/(1-UC%)-GSC) (Cents/Ccf)	0.258	0.072

Issued by: John McAvoy, President, Pearl River, New York 10965