Received: 02/29/2008 Status: CANCELLED Effective Date: 03/03/2008

PSC NO. 4 GAS

LEAF: 76

ORANGE AND ROCKLAND UTILITIES, INC.

REVISION: 5
INITIAL EFFECTIVE DATE: March 3, 2008 SUPERSEDING REVISION: 4
Issued in compliance with Commission order in Case 06-G-0059, dated 8/23/07

GENERAL INFORMATION

12. <u>ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF GAS</u> (Cont'd.)

12.1 GAS SUPPLY CHARGE (Cont'd.)

- (D) <u>Annual Reconciliation</u> (Cont'd.)
 - (1) (Cont'd.)

and Balancing and Peak Shaving Supply Fees assessed under Service Classification No. 6 as recorded on the Company's books during the determination period, adjusting that cost to reflect a level of purchased gas commensurate with actual sales and the fixed factor of adjustment determined in accordance with the Joint Proposal adopted by the Commission by order dated October 20, 2006 in Case 05-G-1494, and subtracting therefrom an amount equal to:

- (a) Gas Supply Charge revenues recorded during the determination period, adjusted to eliminate associated revenue tax recoveries;
- (b) costs recorded during the determination period assignable to gas sold to customers not subject to the Gas Supply Charge; and
- (c) (i) the previous year's over-collection including interest, to the extent not refunded, or
 - (ii) adding the previous year's under-collection including interest, to the extent not recovered.
- (2) The amount derived in paragraph (1) of this subdivision shall be divided by the quantities of gas to be sold by the Company to its customers during the surcharge/refund period.
- (3) Surcharge or refund amounts shall bear interest, at a rate prescribed by the Commission, on unamortized balances.
- (4) The determination period to be used in the computation of the surcharge or refund shall be the 12 months ended August 31 of each year. The computation shall be filed with the Commission on or before October 15, and the resulting surcharge or refund shall be effective with the first January billing cycle date.
- (5) Revisions to the annual surcharge/refund adjustment will be permitted during the 12 month period ended August 31 for the purpose of preventing large over-collection or under-collection balances from accruing at August 31, subject to Commission approval.