PSC NO. 4 GAS LEAF:	81.1
ORANGE AND ROCKLAND UTILITIES, INC. REVISION:	6
INITIAL EFFECTIVE DATE: December 26, 2008 SUPERSEDING REVISION:	5

GENERAL INFORMATION

- 12. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF GAS (Cont'd.)
- 12.4 Merchant Function Charge (MFC)
 - (A) Applicability

Beginning November 1, 2006, customers taking service under Service Classification Nos. 1 and 2 of this Rate Schedule shall be subject to a Merchant Function Charge ("MFC"). Separate MFCs will be determined for Service Classification No. 1 and for Service Classification No. 2 of this Rate Schedule and will be applied to all gas volumes sold under such service classifications to recover the costs associated with commodity-related competitive services. Commodity-related costs include commodity procurement costs (including commodity revenue-based allocation of information resources and education and outreach costs), credit and collections costs, gas in storage working capital costs related to firm sales, and commodity-related uncollectibles.

(B) Fixed MFC Components

The fixed components of the MFC, effective November 1, 2009, are as follows:

<u>Cents per Ccf</u>

	Commodity Procurement, IR, and	a 11. 1	
Service Classification	Education <u>And Outreach</u>	Credit and <u>Collections</u>	<u>Total</u>
SC No. 1 SC No. 2	1.127 0.394	0.647 0.222	1.774 0.616

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