..DID: 10972 ..TXT: PSC NO: 4 GAS LEAF: 73 COMPANY: ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 8 INITIAL EFFECTIVE DATE: 01/02/00 SUPERSEDING REVISION: 5 STAMPS: CANCELLED effective 11/28/00 Suspended by order in Case 99-G-1695. See suppl. No. 10, Effective date postponed to 11/25/00. See Supplement No. 14 RECEIVED: 12/03/99 STATUS: Cancelled EFFECTIVE: 11/29/00

GENERAL INFORMATION

- 12. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF GAS (Cont'd.)
- 12.1 <u>GAS SUPPLY CHARGE</u> (Cont'd.)
 - (B) <u>Average Cost of Gas</u> (Cont'd.)
 - (3) Applying the rates and charges of the Company's gas suppliers, which include the interim recovery of FERC Order 636 transition costs as provided in the New York State Public Service Commission's Opinion and Order Establishing Regulatory Guidelines for Natural Gas Distributors, Opinion 94-26 in Case 93-G-0932, issued and effective December 20, 1994, which are or will be in effect on the date the Gas Supply Charge becomes effective, for new or substantially amended gas supply contracts (substantially amended gas contracts mean changes have the effect of increasing or decreasing either the quantities of gas or the cost of that gas by more than five (5) percent), under which gas has not been purchased during all of the twelve calendar months immediately preceding the computation dates, to volumes equal to the annual volumes to be taken under each such contract.
 - (4) Reducing such cost by:
 - (a) All costs recovered via the Balancing Charge for service rendered under Service Classification No. 6;
 - (b) All penalty charges assessed under Service Classification No.11, Special Provisions A, D and F;
 - (c) All gas costs recovered via the rates and charges for service rendered under Service Classification No. 9 or 10 of this Schedule; and
 - (d) The annual cost of capacity associated with Service Classification No. 12.
 - (5) Increasing such cost by the replacement cost of fuel established as compensation, under Section 11.1(E)(1) of this Schedule, to customers resulting from the diversion of gas from non-core customers to core customers.

(Name of Officer, Title, Address)