

..DID: 6797  
..TXT: PSC NO: 4 GAS LEAF: 72  
COMPANY: ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 1  
INITIAL EFFECTIVE DATE: 01/29/99 SUPERSEDING REVISION: 0  
STAMPS:  
CANCELLED by Supplement 5 effective 08/01/99  
Suspended by order in Case 98-G-2000. See suppl. No. 4,  
RECEIVED: 12/30/98 STATUS: Cancelled EFFECTIVE: 11/29/99

### GENERAL INFORMATION

#### 12. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF GAS

##### 12.1 APPLICABLE TO SERVICE CLASSIFICATION NOS. 1 AND 2

###### (A) Gas Adjustment Charge

The rate for gas service under Service Classification Nos. 1 and 2, shall be subject each month to an addition or deduction of 0.001 cents per therm for each 0.001 cents per therm increase or decrease in the average cost of gas used in retail gas operations above or below the specified base cost of gas of Orange and Rockland Utilities, Inc. Such increase or decrease shall be multiplied by the Factor of Adjustment and rounded to the nearest 0.001 cents per therm.

###### (B) Factor of Adjustment

The factor of adjustment, used to adjust the cost of gas to reflect lost and unaccounted for gas, equals 1.039.

The factor of adjustment shall be determined in each Company rate case proceeding.

###### (C) Base Cost of Gas

The base cost of gas per therm purchased is 30.000 cents.

###### (D) Average Cost of Gas

The average cost of gas used in retail gas operations shall be computed monthly by:

- (1) 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, (excluding take-or-pay charges) which are or will be in effect on the date the gas adjustment charge becomes effective, to the respective quantities of purchased gas taken from each supplier during the twelve consecutive calendar months immediately preceding the computation date, for resale to retail customers for all service except that supplied on an interruptible (S.C. Nos. 3 and 7) or firm dual fuel (S.C. No. 5) basis.

Issued By: R. Lee Haney, Chief Financial Officer, Pearl River, New York  
(Name of Officer, Title, Address)