

PSC NO. 4 GAS

ORANGE AND ROCKLAND UTILITIES, INC. LEAF: 81.1  
 INITIAL EFFECTIVE DATE: November 1, 2015 REVISION: 10  
 Issued in compliance with Commission order in Case 14-G-0494, dated 10/16/15 SUPERSEDING REVISION: 8

### 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

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 are as follows:

| <u>Cents per Ccf</u>            |  |                               |              |
|---------------------------------|--|-------------------------------|--------------|
| <u>Service Classification</u>   | <u>Commodity Procurement, IR, and Education And Outreach</u> | <u>Credit and Collections</u> | <u>Total</u> |
| (1) Commencing November 1, 2015 |  |                               |              |
| SC No. 1                        | 1.816  | 0.440                         | 2.256        |
| SC No. 2                        | 0.601  | 0.140                         | 0.741        |
| (2) Commencing November 1, 2016 |  |                               |              |
| SC No. 1                        | 2.049  | 0.496                         | 2.545        |
| SC No. 2                        | 0.636  | 0.148                         | 0.784        |
| (3) Commencing November 1, 2017 |  |                               |              |
| SC No. 1                        | 2.132  | 0.516                         | 2.648        |
| SC No. 2                        | 0.622  | 0.145                         | 0.767        |

Issued By: Timothy Cawley, President, Pearl River, New York  
 (Name of Officer, Title, Address)