

PSC NO. 4 GAS

ORANGE AND ROCKLAND UTILITIES, INC. LEAF: 81.1
INITIAL EFFECTIVE DATE: January 1, 2015 REVISION: 9
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>
Commencing November 1, 2015			
SC No. 1	2.172	0.526	2.698
SC No. 2	0.707	0.165	0.872

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