

PSC NO. 4 GAS LEAF: 113.4
ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 2
INITIAL EFFECTIVE DATE: January 1, 2015 SUPERSEDING REVISION: 1

GENERAL INFORMATION**25. REVENUE DECOUPLING MECHANISM ("RDM") ADJUSTMENT (Continued)****(E) Interim RDM Adjustment**

The Company will track delivery revenue excess/shortfalls on a monthly basis and may implement Interim RDM Adjustments at any time in order to minimize the annual RDM Adjustment. The procedures for the Interim RDM Adjustments will follow the same procedures for interim Gas Supply Charge adjustments. Revenues associated with Interim RDM Adjustments will be included in the annual RDM reconciliation.

(F) Partial Year RDM

If the Company files for new base rates to be effective on a date other than November 1 of any year beyond 2016, then for purposes of reconciling the RDM, Adjusted RPC Targets for the partial rate year will be determined as follows. Actual Delivery Revenues for each customer group for the months comprising the partial rate year period will be divided by the Actual Delivery Revenues for the twelve-month period ended in the same month as the partial rate year period. This creates a factor for each customer group that is multiplied by the RPC Target for the group to create an Adjusted RPC Target. For each customer group, the Adjusted RPC Target will then be multiplied by the average number of customers for the partial rate year to determine the Delivery Revenue Target for the partial rate year. For each customer group, Actual Delivery Revenue for the partial rate year will be compared with the partial rate year Delivery Revenue Target to determine the delivery revenue excess or shortfall to be refunded to or recovered from customers through the RDM Adjustment.

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