



Orange and Rockland Utilities, Inc.  
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May 14, 2014

Honorable Kathleen H. Burgess  
Secretary  
State of New York  
Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223

Re: Supplier Refunds

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. (the "Company") hereby submits for filing the following tariff leaves reflecting revisions to its Schedule for Gas Service, P.S.C. No. 4 – GAS ("Gas Tariff").

Leaf No. 80.3.2 Revision 5  
Leaf No. 80.3.3 Revision 0  
Leaf No. 80.3.4 Revision 0  
Leaf No. 80.3.5 Revision 0  
Leaf No. 80.3.6 Revision 0

These tariff leaves are issued May 14, 2014, to become effective on August 20, 2014.

#### Reason for Filing

The Company occasionally receives refunds from its gas suppliers, whereupon the Company will file a supplier refund plan with the Commission to distribute such refunds to its firm gas customers through the Monthly Gas Adjustment ("MGA"). In this filing, the Company proposes to amend General Information Section No. 12.2, Monthly Gas Adjustment, of the Gas Tariff to add a supplier refund provision. This provision will formalize the Company's supplier refund process in a manner consistent with the supplier refund provision of the Company's affiliate, Consolidated Edison Company of New York, Inc.

#### Summary of Tariff Modifications

Section No. 12.2(J), Supplier Refunds, has been added to the Gas Tariff. This new tariff provision sets forth a process for determining and reconciling supplier refund credits applicable to the Company's firm customers. Credits associated with such refunds will be included in the MGA applicable to Service Classification Nos. 1 and 2 customers and, when applicable, in the MGA applicable to Service Classification No. 6 customers.

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Under the proposed tariff provision, the Company shall commence crediting its customers for supplier refunds within six months of the date of receipt of each refund. Refunds will be distributed over twelve-month periods on a per Ccf basis. The pass back of supplier refunds is subject to reconciliation and any over- or under-recovery of refunds will be included in the next supplier refund.

This calculation methodology, described in further detail in the new supplier refund tariff provision, is consistent with supplier refund plans previously filed by the Company and currently in effect. This methodology is also consistent with the Commission's determinations in Case No. 10-G-0251.<sup>1</sup>

The Company will publish notice of this filing in accordance with Public Service Law §66(12)(b). Questions regarding this filing can be directed to Cheryl Ruggiero at (212) 460-3189.

Very truly yours,

/s/

William A. Atzl, Jr.  
Director – Rate Engineering

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<sup>1</sup> Case No. 10-G-0251, *Proceeding to Investigate the Proper Ratemaking Treatment of Pipeline Refunds Received by Certain Utilities from Tennessee Gas Pipeline Company*.