

..DID: 7027
..TXT:

February 1, 1999

Honorable Debra Renner
Acting Secretary
State of New York
Department of Public Service
Three Empire State Plaza
Albany, NY 12223

Re: Cases 93-G-0932 and 97-G-1380
Compliance Filing

Dear Acting Secretary Renner:

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

Leaf 80.1 Revision 2
Leaf 167 Revision 1
Leaf 175 Revision 2

These tariff leaves are transmitted on February 1, 1999 with an effective date of April 1, 1999. These leaves are issued in compliance with the Commission's Policy Statement Concerning the Future of the Natural Gas Industry in New York State and Order Terminating Capacity Assignment issued and effective November 3, 1998 in Case Nos. 93-G-0932 and 97-G-1380.

The purpose of this filing is to make permanent the Company's pilot program, initiated by filing made July 24, 1998, whereby Qualified Sellers serving firm transportation customers would no longer be required to take an assignment of the Company's upstream pipeline capacity. This filing permanently terminates mandatory capacity assignment for customers switching to the Company's firm transportation gas service. In order to accomplish this change, the "Quantity Limits" section has been removed from Service Classification No. 12.

The "Term" section of Service Classification No. 12 has also been revised to prohibit switching between Service Classification No. 12 and Service Classification No. 11 during an annual period.

The stranded cost provision of General Information Section 12.1 has been expanded to include categories of stranded costs which were not at risk during the pilot program, but which are at risk under the Commission's restructuring orders. These potential costs include stranded storage capacity costs and

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stranded gas supply costs.

Also included with this filing is the General Filing Information Form. The Company requests waiver of the newspaper publication requirements of 16 NYCRR 270.70 as this is a compliance filing.

Any questions concerning this filing can be directed to me at (914) 577-2963.

Very truly yours,

William A. Atzl, Jr.
Manager - Regulatory Affairs