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November 5, 1997

Via Electronic Transfer

Honorable John C. Crary Secretary State of New York Public Service Commission Three Empire State Plaza Albany, New York 12223

> Re: Case 97-G-0600 - In the Matter of the Commission's Request for Gas Distribution Companies to Reduce Gas Cost Volatility and Provide for Alternative Gas Purchasing Mechanisms

Dear Secretary Crary:

Orange and Rockland Utilities, Inc. hereby submits for filing five copies each of the following tariff leaves reflecting proposed changes to its Schedule for Gas Service, P.S.C. No. 3 - GAS:

Leaf	73	Leaf	81.1
Leaf	74	Leaf	115
Leaf	79	Leaf	117
Leaf	80	Leaf	128
Leaf	81	Leaf	128.1

These leaves are to become effective November 7, 1997, and are submitted in compliance with the Commission's Order Resolving Petitions for Rehearing and Requiring the Filing of Fixed Price Option Tariffs, issued and effective October 7, 1997, in the above-captioned proceeding.

The filing adds a Fixed-Price Gas Option to Orange and Rockland's Service Classification Nos. 1, 2, and 5 (firm gas sales services) and makes corresponding revisions to the Gas Adjustment Charge provisions of Section 12.1 in the General Information section of the Company's gas tariff.

The Fixed-Price Gas Option will be in place from December 1, 1997, through April 30, 1998. The Option provides for a fixed price for the commodity cost of gas component of the monthly Gas Adjustment Charge in lieu of the commodity cost of gas as determined pursuant to General Information -Section 12, of the Company's gas tariff. All other charges pursuant to General Information - Section 12, exclusive of the commodity cost of gas, shall continue to apply.

The Fixed-Price Gas Option is a voluntary election for firm gas sales customers and is limited to ten percent of the customers in each firm sales customer class. Eligibility will be determined on a first-come, first-served

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basis. Customers electing the Fixed-Price Gas Option must commit for the full period of December 1, 1997, through April 30, 1998, and may not switch Service Classification during this period.

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Also included with this filing is the General Filing Information Form. Per the above-referenced Order, Orange and Rockland used direct mailings to notify all affected customers of the availability of the Fixed-Price Gas Option and, as such, the notice publication requirements of Public Service Law 66(12) and 16 NYCRR § 270.70 otherwise applicable to these tariff amendments are waived.

Any questions regarding this filing should be directed to James Stanzione at (914) 577-3678.

Very truly yours,

Terry L. Dittrich Manager - Regulatory Affairs

cc: Service List