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December 14, 2001

ORANGE AND ROCKLAND UTILITIES, INC. 4 Irving Place New York, NY 10003

Hon. Janet Deixler Secretary State of New York Public Service Commission Three Empire State Plaza Albany, NY 12223

Re: Case 00–G-0996 – In the Matter of Criteria for Interruptible Gas Service

Dear Secretary Deixler:

Orange and Rockland Utilities, Inc. ("O&R" or "the Company") hereby files changes to its Schedule for Gas Service, P.S.C. No. 4-GAS, as they relate to service to power generation customers taking service under Service Classification No. 9 "Firm Withdrawable Transportation to Electric Generation Facilities", Service Classification No. 10 "Firm Withdrawable Sales to Electric Generation Facilities", and Service Classification No. 14 "Withdrawable Transportation to Fuel Electric Generating Facilities of 50 MegaWatts or Greater". These changes are being made pursuant to the Commission's Order issued October 31, 2001 (the "Order") in the above-referenced proceeding.

The changes to the Company's Schedule for Gas Service are set forth in the following tariff leaves issued December 14, 2001, to become effective January 14, 2002:

Leaf 144	Revision 5
Leaf 147.1	Revision 2
Leaf 147.2	Revision 2
Leaf 150	Revision 6
Leaf 151.1	Revision 2
Leaf 151.2	Revision 2
Leaf 193	Revision 2
Leaf 197	Revision 2
Leaf 197.1	Revision 1

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Corresponding revisions to the Company's Gas Transportation Operating Procedures will also be submitted under separate cover.

Summary of Tariff Changes

In compliance with the Order, Service Classification Nos. 9, 10, and 14, which are applicable to Contract Power Generation Customers, have been modified as follows:

- ! Distillate users, <u>i.e.</u>, Customers using No. 2 fuel oil, diesel fuel or kerosene as their alternate fuel source, will be required to maintain a five-day reserve of their alternate fuel based on the customer's winter period peak requirements.
- ! The penalty charge for customers who use gas during interruptions will be as follows: For customers taking service under Service Classifications Nos. 9 and 10, the penalty charge will be equal to the higher of (1) 120% of the applicable wholesale electric market price at the time of non-compliance converted to a gas price in accordance with the Company's Gas Transportation Operating Procedures or (2) \$10 per Mcf plus the Supplemental Sales Charge. For customers taking service under Service Classification No. 14, the penalty charge will be equal to the higher of (1) 120% of the applicable wholesale electric market price at the time of non-compliance converted to a gas price in accordance with the Company's Gas Transportation Operating Procedures or (2) \$25 per Dth plus the cost of gas or (3) \$45 per Dth.

Questions concerning this filing can be directed to me at (212) 460-3308.

Sincerely,

William A. Atzl, Jr. Manager – Electric and Gas Rate Design