

..DID: 10247
..TXT:

ORANGE AND ROCKLAND UTILITIES, INC.
One Blue Hill Plaza
Pearl River, New York 10965

October 15, 1999

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

Re: Changes to Gas Adjustment Clause

Dear Acting Secretary Renner:

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

73	Revision	7
74	Revision	2
75	Revision	2
76	Revision	1
77	Revision	2
78	Revision	1
79	Revision	3
81	Revision	3
81.1	Revision	2

These tariff leaves are issued October 15, 1999, to become effective December 1, 1999.

The purpose of this filing is to implement changes in the Gas Adjustment Clause ("GAC") proposed by the Company concurrent with its 1999 Annual GAC Reconciliation filed October 14, 1999. Specifically, the Company has proposed to remove from its GAC, and defer on its books for the benefit of customers, amounts applicable to Service Classification ("SC") Nos. 1 and 2 customers associated with (1) gas for electric power generation, (2) pipeline refunds, and (3) the customers' share of benefits derived from interruptible sales.

A summary of the changes follows.

General Information Section 12.1(D) - Average Cost of Gas

Honorable Debra Renner
October 15, 1999
Page 2

The determination of the Average Cost of Gas has been modified to reflect that benefits associated with gas for electric power generation, applicable to SC 1 and 2 customers will be deferred rather than applied as a reduction to the Average Cost of Gas.

General Information Section 12.1(E) - Interruptible and Firm Dual Fuel Sales and Transportation Service Benefits

This section has been revised to reflect that 80% of benefits above prescribed imputation levels, applicable to SC 1 and 2 customers, shall be deferred rather than credited or surcharged to customers.

General Information Section 12.2 - Supplier Refund Provision

This section has been revised to reflect that the portion of supplier refunds applicable to SC 1 and 2 customers shall be deferred for future disposition.

In order to preserve rate stability, the Company requests that these tariff revisions become effective on December 1, 1999, concurrent with the effective date of the changes implemented by the 1999 Annual GAC Reconciliation. Therefore, the Company requests that these revisions be approved under the emergency provisions of the State Administrative Procedures Act ("SAPA").

Included with this filing is the General Filing Information Form and SAPA notice. The Company shall publish notice of this filing in accordance with 16NYCRR Section 720-8.1.

Questions regarding this filing can be directed to me at (914) 577-2963.

Very truly yours,

William A. Atzl, Jr.
Manager - Regulatory Affairs