

Orange and Rockland Utilities, Inc. 4 Irving Place
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August 1, 2008

Honorable Jaclyn A. Brilling, Secretary New York State Public Service Commission Three Empire State Plaza Albany, NY 12223-1350

> Re: Case No. 07-M-0548 – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") hereby submits for filing the following tariff leaves proposing revisions to its Schedule for Gas Service, PSC No. 4 – Gas ("Gas Tariff").

| Leaf 4 | Revision 8 |
|----------|-------------|
| Leaf 112 | Revision 4 |
| Leaf 114 | Revision 15 |
| Leaf 115 | Revision 9 |
| Leaf 116 | Revision 16 |
| Leaf 117 | Revision 7 |
| Leaf 133 | Revision 18 |

These tariff leaves are issued August 1, 2008 to become effective on October 1, 2008. The Company is also filing its Statement of System Benefits Charge, Statement No. SBC-1 to the Gas Tariff. This Statement is issued August 1, 2008, to become effective October 1, 2008.

Reason for the Proposed Tariff Change

Pursuant to the Commission's <u>Order Establishing Energy Efficiency Portfolio Standard and Approving Programs</u> (the "Order") issued June 23, 2008, in the above-referenced proceeding, the Company has been directed to establish a gas System Benefits Charge ("SBC") and to collect SBC amounts from October 1, 2008 through December 31, 2011. The Company is filing tariff amendments and a statement herewith, in accordance with the Order.

Summary of the Proposed Changes

The Company is making the following tariff changes in compliance with the Order:

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- Leaf No. 4 has been amended to include the SBC in the Table of Contents.
- A new General Information Section No. 23, System Benefits Charge, has been added to the Gas Tariff to implement a gas SBC in accordance with the Order.
- Leaves Nos. 115, 116 and 133 were revised to apply the SBC to Service Classifications 1, 2 and 6.
- The number of rate parts was changed from Seven to Eight on Leaves Nos. 114, 115 and 116 and the number of rate parts was added to Leaf 117.

The SBC shown on the enclosed Statement of System Benefits Charge is designed to recover \$118,537 for the fourth quarter of 2008. The Statement contains the SBC, on a cents per Ccf basis, to become effective on October 1, 2008. Thereafter, the Company will file a revised SBC to take effect January 1 of each year beginning in 2009 to recover the applicable annual SBC collection amounts. Any over- or under-collections of the SBC for each calendar year through 2010 will be reconciled and included in the subsequent year's amount to be collected, commencing January 1 of each year thereafter. Any over- or under-collections of the SBC during 2011 will also be reconciled and credited to or collected from customers as directed from the Commission.

Conclusion and Notice

As directed by Ordering Clause 6 of the Order, the Company is filing the tariff amendments and statement on 60 days' notice to become effective October 1, 2008. Ordering Clause 6 waived newspaper publication.

Any questions regarding this filing can be directed to me at (212) 460-3308.

Very truly yours,

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William A. Atzl, Jr. Director – O&R Rates