



Orange and Rockland Utilities, Inc.
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July 31, 2008

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

RE: 05-G-1494, Proceeding on Motion of the Commission as
to the Rates, Charges, Rules and Regulations of Orange
and Rockland Utilities, Inc. for Gas Service

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. ("Company") hereby submits for filing the following tariff leaves reflecting revisions to its Schedule for Gas Service, PSC No. 4 – Gas ("Gas Tariff"). These revised tariff leaves are issued July 31, 2008, to become effective on August 1, 2008.

9th	Revised Leaf No.	34
14th	Revised Leaf No.	114
15th	Revised Leaf No.	116
17th	Revised Leaf No.	133

The purpose of this filing is to implement changes to billing and payment processing charges.

Reason for the Proposed Tariff Changes

The Signatory Parties to the Joint Proposal approved by the Commission in Case No. 05-G-1494 recognized that the billing and payment processing charge resulting from the Company's cost of service study was \$1.02. However, to minimize potential customer confusion associated with this charge and the then-current \$0.62 electric backout credit, the billing and payment processing charge for gas service was initially set at \$0.62. In addition, the Joint Proposal (p. 14) in Case No. 05-G-1494 stated:

When the Company's electric rates are unbundled, the billing and payment processing charge shall be reset to a level indicated by the then-current cost of service study. This change shall be performed in a manner that is revenue neutral to the Company's gas operations and requires no changes in gas rates other than the change in the billing and payment processing charge.

Honorable Jaclyn A. Brilling

July 31, 2008

Page 2 of 2

Accordingly, the Company is filing to reset its gas billing and payment processing charge in order to bring it to the level recently approved by the Commission in the Company's electric base rate case.¹ In that proceeding, the Commission approved an unbundled charge of \$1.02 for billing and payment processing that is applicable to both the Company's electric and gas customers. The charge will be assessed on all full service customers and all retail access customers electing the Two Separate Bills option under General Information Section No. 6 of the Gas Tariff. The billing and payment processing charge will not apply to retail access bills in which either electric or gas service is billed by the Company under the Utility Single Bill option.

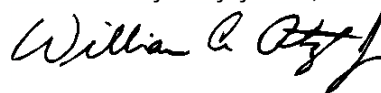
Summary of the Proposed Changes

By this filing, the Company is amending General Information Section No. 6.5.(2)(B) of the Gas Tariff to increase the billing and payment processing charge from \$0.62 to \$1.02. In addition, the Company has reset the billing and payment processing charge for Service Classification Nos. 1, 2 and 6.

Conclusion and Notice

This filing is proposed to become effective on August 1, 2008, concurrent with the electric rate changes approved by the Commission in Case No. 07-E-0949. The Company will publish notice of this filing in accordance with ordering clause 8 of the July 23 Order. Any questions regarding this filing can be directed to me at (212) 460-3308.

Very truly yours,



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

¹ Case 07-E-0949, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Orange and Rockland Utilities, Inc. for Electric Service, Order Establishing Electric Rate Plan for Orange and Rockland Utilities, Inc. (issued July 23, 2008) ("July 23 Order") (see, pp. 74-75).