



Orange and Rockland Utilities, Inc.  
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October 2, 2007

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

Re: Case 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. ("O&R" or "the Company") hereby submits for filing the following tariff leaves proposing revisions to its Schedule for Gas Service, P.S.C. No. 4 – Gas ("Gas tariff").

Leaf 33.3	Revision 5
Leaf 80.2	Revision 7
Leaf 80.3	Revision 9
Leaf 82	Revision 6
Leaf 114	Revision 13
Leaf 116	Revision 14
Leaf 130	Revision 16

These tariff leaves are issued October 2, 2007 to become effective, on a temporary basis, on November 1, 2007.

This filing is made in compliance with the Commission's Order Establishing Rates and Terms of a Three Year Rate Plan issued October 20, 2006, in Case No. 05-G-1494 ("Order"). In the Order, the Commission adopted, with one exception, the terms of a Joint Proposal dated June 21, 2006 and submitted by O&R, Staff of the New York State Department of Public Service, Multiple Intervenors, and Small Customer Marketer Coalition ("Joint Proposal").

The purpose of this filing is to implement for "Rate Year 2" (i.e., November 1, 2007 through October 31, 2008) the rate design changes set forth in Appendix D of the Joint Proposal.

#### Summary of the Proposed Changes

In compliance with the Order, the Company is filing the following changes to its Gas Tariff:

1. Rate Year Two delivery rates have been set in a manner to recover an incremental revenue requirement of \$6.5 million (or \$6.442 million net of revenue taxes).

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2. The first block charge for SC1 and SC6 RS I has been increased by \$1.00 from \$12.00 to 13.00. The first block charge for SC2 and SC6 RS I Non-Residential has been increased by \$3.00 from \$15.00 to \$18.00. The first block charge for SC 6 RS II has been increased from \$156.08 to \$168.60.
3. To address a revenue deficiency in SC1 and SC6 RS I Residential, \$3.0 million of the Rate Year 2 incremental revenue requirement, net of revenue associated with increased first block charges, has been allocated to the per Ccf charges for SC1 and SC6 RS I Residential classes. The remaining incremental revenue requirement has been recovered from all rate block charges of SC1, SC2, and SC6, except for the first block charges, on an equal cents per Ccf basis.
4. General Information Section No. 12.2, Monthly Gas Adjustment, has been revised to reflect the elimination of the Interim Backout Credit Lost Revenue Recovery mechanism.
5. The Uncollectibles Percentages, used in the calculation of the Merchant Function Charges in General Information Section No. 12.4 and the POR Discount Percentage in General Information Section No. 6.5, have been updated in accordance with the Joint Proposal.

In addition to the changes listed above, the Company will also file a tariff amendment no later than October 15, 2007, to update the Factor of Adjustment in accordance with the Order.

Please note, on October 1, 2007 the Company made a filing in compliance with the Commission's "Order on Capacity Release Programs" issued and effective August 30, 2007. That filing included Leaf No. 80.3 Revision 8 which reflects changes that are scheduled to become effective on November 1, 2007. For administrative convenience, Leaf No. 80.3 Revision 9, included in this filing, incorporates the changes reflected on Leaf 80.3 Revision 8 included in the Company's October 1, 2007 filing.

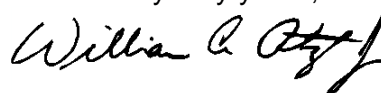
Notice

The Company will publish notice of this filing in accordance with the Commission's regulations on newspaper publication.

Please date and time-stamp the enclosed extra copy of this letter and return it to me in the envelope provided.

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

Very truly yours,



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

cc: Active Parties, Case No. 05-G-1494