



Orange and Rockland Utilities, Inc.  
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www.oru.com

October 30, 2007

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

Re: Case 07-G-0299 - In the Matter of Issues Associated  
with the Future of the Natural Gas Industry and the Role of  
Local Gas Distribution Companies – Capacity Planning  
and Reliability

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. (the "Company" or "O&R") hereby submits for filing the following tariff leaves proposing revisions to its Schedule for Gas Service P.S.C. No. 4 – GAS ("Gas tariff") in compliance with the Public Service Commission's (the "Commission") "Order on Capacity Release Programs" (the "Order") issued and effective August 30, 2007 in Case 07-G-0299.

11th Revised Leaf No. 152.1  
13th Revised Leaf No. 152.2

In compliance with the Order, the tariff leaves filed electronically today are effective November 1, 2007 on a temporary basis.

#### Summary of Tariff Modifications

On October 1, 2007, the Company filed amendments to its Gas tariff to implement a mandatory capacity release program in compliance with the Order. By this filing, the Company is proposing further tariff amendments to its Mandatory Capacity Release Service program to reflect that in some cases the Company releases capacity directly to a Marketer's Agent or Designee ("Agent") rather than to the Marketer. The Company is also making a "housekeeping" change.

There are circumstances where a Marketer ("Qualified Seller") elects or needs to have its allocated share of upstream pipeline capacity released by the Company directly to an Agent. In such circumstances, the Company will require both the Marketer and the Agent to sign the Capacity Release Service Agreement obligating them to be bound by the terms and conditions set forth in the Gas tariff and the Agreement. For this reason, the Company is filing today revisions to its gas tariff to accommodate the circumstance where, as part of the Mandatory Capacity Release Service program, capacity is released by the Company directly to the Marketer's Agent rather than to the Marketer.

Honorable Jaclyn A. Brilling  
October 30, 2007  
Page 2 of 2

The Company has also added language to the Mandatory Capacity Release Service provision of its Gas tariff that allows the Company to recall the released capacity when required to preserve the integrity of the Company's facilities and service. This language is already in the Company's Capacity Release Service Agreement and is being added to the Gas tariff for consistency.

The Company will make corresponding changes to its Gas Transportation Operating Procedures Manual ("GTOP") upon Commission approval of the tariff changes on a permanent basis.

Notices

The Company respectfully requests the requirement of newspaper publication of the changes be waived in its entirety on the basis that notice of the changes will be communicated directly to the affected Sellers.

Questions regarding this filing may be directed to me at (212) 460-3308.

Very truly yours,

A handwritten signature in black ink, appearing to read "William A. Atzl, Jr.", written in a cursive style.

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

cc: All Active Parties

Enclosure