



Orange and Rockland Utilities, Inc.
4 Irving Place
New York NY 10003-0987
www.oru.com

November 24, 2004

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

RE: Case No. 03-M-0117

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") is filing today with the Public Service Commission (the "Commission") changes to Fourth Revised Leaf No. 166.12 of its Schedule for Gas Service, P.S.C. No. 4 – Gas ("Gas tariff") in compliance with the Commission's "Order Modifying Suspension Fees and Other Tariff Provisions and Granting Further Relief" in Case 03-M-0117 (the "Order") issued October 25, 2004.

The tariff leaf being filed today is issued on not less than one day's notice to become effective on November 25, 2004, on a temporary basis, in accordance with Ordering Clause 1 of the Order. As directed by Ordering Clause 4 of the Order, the requirement for newspaper publication has been waived.

Summary of Proposed Tariff Changes

In accordance with the Order, the Company has revised its Gas tariff to modify the charge to suspend delivery service to a residential customer at the request of a Seller. The new suspension charge is based on the Company's reconnection charge that is applicable to residential customers.

Under the O&R Gas tariff, residential customers are currently subject to a reconnection charge of \$9.00 when the customer specifies that service be restored during normal business hours. The \$9.00 reconnection charge was first introduced into the O&R electric tariff in 1983 and into the gas tariff in 1987. Ordering Clause 1 of the Order provides that the suspension charge may be updated for inflation since the time the reconnection fee was last made permanent. Accordingly, the suspension charge has been set at \$19.00 to reflect the rate of inflation since the reconnection charge was first established in 1983. The work-paper showing the derivation of the \$19.00 suspension charge is included in the filing of the changes to the Company's electric tariff that was filed today under separate cover.

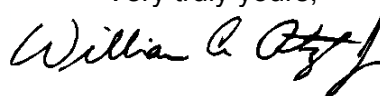
Honorable Jaclyn A. Brilling
November 24, 2004
Page 2 of 2

In accordance with Ordering Clause 4 of the Order, the Seller will pay half of the suspension charge (\$9.50) when the residential customer's service is physically terminated simultaneously on behalf of the Company and the Seller¹.

Ordering Clause 5 of the Order indicates that any amounts charged to Sellers in excess of the \$19.00 suspension charge shall be refunded to Sellers within 60 days of this Order. O&R has no amounts to refund, because it purchases the receivables of Sellers participating in the Company's Gas Transportation Service Program.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "William A. Atzl, Jr.", with a stylized flourish at the end.

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

¹ If there are two Sellers requesting suspension simultaneously, each Seller shall pay their prorata portion of the charge.