



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

July 29, 2004

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

RE: Case 02-G-1553

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. ("O&R" or "the Company") is filing today with the Public Service Commission ("the Commission") Supplement No. 32 to its Schedule for Gas Service, PSC No. 4 – Gas.

On January 23, 2004, the Company filed with the Commission proposed tariff leaves to provide the Company with the right to use or acquire firm, non-recallable, primary delivery point capacity obtained by Marketers from third parties in a manner that would enable the Company to rely on such capacity for reliability purposes. The implementing tariffs were filed to become effective May 1, 2004.

By orders dated March 31, 2004, May 7, 2004, June 4, 2004, and July 28, 2004, the Commission postponed the effective date of the filing to June 1, 2004, July 1, 2004, August 1, 2004, and most recently to September 1, 2004.

The Company hereby requests that the tariff leaves filed on January 23, 2004 be cancelled. The Company has had on-going discussions with Staff, Marketers, and other interested parties as to the how the O&R gas reliability program is to be structured. Cancellation of the filing will give the parties adequate time to agree upon the parameters of such a program, and implementation of a gas reliability program in time for the upcoming heating season is no longer necessary since all Marketers serving O&R's firm transportation customers have committed to taking a release of O&R capacity this winter to meet their primary delivery point capacity obligations.

Accordingly, the Company files today Supplement No. 32 canceling the tariff leaves filed by the Company on January 23, 2004. Supplement No. 32 bears an initial effective date of September 1, 2004 to coincide with the last day of the postponement period.

Please direct any questions pertaining to this filing to me at (212) 460-3308.

Respectfully submitted,

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