



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

June 4, 2004

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

Re: Extended One-Year Capacity Release Program

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") hereby submits for filing the following tariff leaves reflecting revisions to its Schedule for Gas Service, P.S.C. No. 4 – GAS (the "Gas tariff").

9th	Revised Leaf No.	129
11th	Revised Leaf No.	152
6th	Revised Leaf No.	152.1
8th	Revised Leaf No.	152.2

These tariff leaves filed electronically today are scheduled to become effective on August 26, 2004 (one day after the Commission's scheduled August 25, 2004 open session meeting) in order to provide the Company and gas marketers serving firm customers in its Gas Transportation Service Program adequate time to prepare for the winter season commencing on November 1, 2004.

Reason for Filing

This filing is being made to extend the Company's capacity release program for an additional year commencing November 1, 2004 and ending on October 31, 2005. The current three-year capacity release program, available to Sellers under Capacity Option A of Service Classification No. 11 of the Gas tariff, is set to expire on October 31, 2004. The Company proposes to continue the program for an additional year to give Sellers serving firm customers in the Company's Gas Transportation Service Program the opportunity to obtain upstream pipeline capacity from the Company to satisfy the Commission's firm primary receipt point requirement. Corresponding revisions to the Company's Gas Transportation Operating Procedures will also be submitted under separate cover.

Summary of Tariff Changes

The Company will either utilize its existing contracted capacity or will acquire new capacity and/or bundled Citygate deliveries needed to meet requesting Sellers' capacity requirements for the one-year period commencing November 1, 2004 and ending on October 31, 2005. The capacity available for release, the Company's obligations to provide such service

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(including the Company's rights to recall the released capacity), the Seller's required documentation, and the execution of the applicable agreements by both the requesting Sellers and the Company will all follow the same terms and conditions outlined in the Company's current three-year capacity release program.

Proposed Schedule for Extended One-Year Capacity Release Program

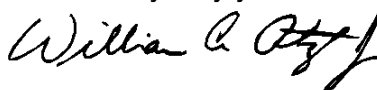
Sellers interested in participating in the extended one-year capacity release program must make binding commitments no later than 5:00 p.m. EDT on Monday, July 12, 2004, for the quantity (in dekatherms) of the Company's capacity that they are requesting to utilize commencing November 1, 2004 (which quantity will thereafter be increased or decreased in accordance with SC No. 11 of the Company's Gas tariff). These binding commitments and the Company's obligation to release capacity in response thereto are predicated on the Commission's approval of the Company's request for a one-year extension of the program as described herein.

Notices

The Company will provide for public notice of the changes proposed in this filing by means of newspaper publication once a week for four consecutive weeks prior to August 26, 2004. Enclosed is a proposed form of Notice of Proposed Rule Making for publication in the State Register pursuant to the State Administrative Procedure Act.

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