



December 27, 2012

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

Dear Secretary Brillling:

Orange and Rockland Utilities, Inc. ("the Company") herein submits for filing its Statement of Market Supply Charge, Statement No. MSC-10, to its Schedule for Electric Service, P.S.C. No. 3-ELECTRICITY. This Statement is issued December 27, 2012, to become effective January 1, 2013.

The Market Supply Charges ("MSC") for January 2013 include a projection of January 2013 electric supply costs and a reconciliation of November 2012 electric supply costs and MSC recoveries. This statement also includes a determination of the capacity and adder rates necessary for Day-Ahead Hourly Pricing customers pursuant to the Commission's Order issued April 24, 2006, in Case 03-E-0641.

The Company also includes a copy of the workpapers used to determine the January 2013 MSC.

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

Sincerely,

/s/

William A. Atzl, Jr.  
Director – Rate Engineering