



September 26, 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-7, to its Schedule for Electric Service, P.S.C. No. 3-ELECTRICITY. This Statement is issued September 26, 2012, to become effective October 1, 2012.

The Market Supply Charges ("MSC") for October 2012 include a projection of October 2012 electric supply costs and a reconciliation of August 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 October 2012 MSC.

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

Sincerely,

/s/

William A. Atzl, Jr.
Director – Rate Engineering