



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

September 30, 2011

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

RE: Case No. 08-G-1398, Proceeding on Motion of the
Commission as to the Rates, Charges, Rules and
Regulations of Orange and Rockland Utilities, Inc. for Gas
Service

Dear Secretary Brillling:

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

The tariff leaves set forth in Appendix A to this letter, and filed electronically today, become effective on November 1, 2011.

This filing is made in compliance with the Commission's Order Adopting Joint Proposal and Implementing a Three-Year Rate Plan, issued October 16, 2009, in Case No. 08-G-1398 ("Rate Order"). In the Rate Order, the Commission approved the terms of a gas rate plan for the Company for the period November 1, 2009 through October 31, 2012 ("Gas Rate Plan"). The enclosed tariff leaves reflect the following modifications to the Gas Tariff in order to implement the Rate Year Three rate and tariff provisions in accordance with the Rate Order. Rate Year Three covers the twelve-month period ending October 31, 2012.

Summary of Tariff Modifications

1. General Information Section No. 6.5, "Rendering of Bills", specifically Section No. 6.5(2)(B) relating to the rendering of bills to customers participating in the Company's Gas Transportation Service Program under the Utility Single Billing Service option, has been modified to update the Purchase of Receivables ("POR") Discount Percentage.

The Credit and Collections Costs component of the POR Discount Percentage has been updated to its Rate Year Three level in accordance with the Gas Rate Plan. The Uncollectibles Percentage has been updated based on the Company's actual uncollectibles experience applicable to all gas and electric POR-eligible customers for the twelve-month period ended June 30, 2011. The Risk Factor component has been reset at 20 percent of the Uncollectibles Percentage.

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2. General Information Section No. 12.2(B), Transition Adjustment for Competitive Services ("TACS"), has been modified as follows.
 - The Merchant Function Charge ("MFC") Fixed Component Lost Revenue target has been updated to reflect the Rate Year Three levels of the competitive supply-related MFC component and the credit and collections MFC component.
 - The Credit and Collections Lost Revenue Associated with Retail Access component target has been updated to reflect the Rate Year Three level of POR-related credit and collections costs.
3. The Uncollectibles Percentage in General Information Section No. 12.2(I), Balancing Charge has been updated based on the Company's actual uncollectibles experience applicable to all electric and gas POR-eligible customers for the twelve-month period ended June 30, 2011.
4. General Information Section No. 12.4(C), Merchant Function Charge (MFC) - Determination of MFCs has been modified to update the Uncollectibles Charge component of the MFC based on the Company's actual uncollectibles experience applicable to all electric and gas POR-eligible customers for the twelve-month period ended June 30, 2011.
5. Riders B and C have been updated to reflect increased delivery charges in accordance with the Rate Order.
6. General Information Section No. 25, Revenue Decoupling Mechanism ("RDM") Adjustment, Delivery Revenue Targets, has been updated to reflect the Rate Year Three revenue per customer targets.
7. Service Classification Nos. 1, 2 and 6 have been updated to reflect increased Delivery Charges in accordance with the Rate Order.

In accordance with the Gas Rate Plan, a temporary surcharge will be assessed through the Monthly Gas Adjustment during Rate Year Three. The temporary surcharge is set at 2.160 cents per Ccf and is designed to collect \$4.338 million of the Rate Year Three increase (\$4.293 million net of revenue taxes). The Temporary Surcharge will be included in the Company's Statement of Monthly Gas Adjustments effective November 1, 2011.

The Company will publish notice of this filing in accordance with Public Service Law §66(12)(b).

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

Very truly yours,

/s/

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

Orange & Rockland Utilities Inc.

Case 08-G-1398 - Rates Effective November 1, 2011

APPENDIX A

P.S.C. No. 4 Gas

Leaf 33.3	Revision 10
Leaf 79.1	Revision 5
Leaf 80.3.2	Revision 2
Leaf 82	Revision 11
Leaf 94.9	Revision 8
Leaf 94.10	Revision 8
Leaf 94.16	Revision 11
Leaf 113.2	Revision 3
Leaf 114	Revision 21
Leaf 116	Revision 24
Leaf 130	Revision 21