



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

June 15, 2012

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

Re: Transition Adjustment for Competitive Services

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. ("O&R" or "the Company") hereby submits for filing its Statement of Transition Adjustment for Competitive Services, Statement No. TACS – 2 to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY ("Electric Tariff"). This Statement is issued June 15, 2012, to become effective with service rendered on or after July 1, 2012.

This filing is made in accordance with General Information Section No. 29 of the Electric Tariff requiring the Transition Adjustment for Competitive Services ("TACS") to be reset effective July 1 of each year. The TACS to become effective July 1, 2012, is designed to recover Merchant Function Charge Fixed Component Lost Revenue, Billing and Payment Processing Lost Revenue, Metering Lost Revenue, and Credit and Collections Lost Revenue Associated with Retail Access incurred during the period July 1, 2011 through June 30, 2012, and as defined in General Information Section No. 29 of the Electric Tariff. Half the amount to be recovered through the TACS has been assigned to full service customers and the balance has been assigned to both full service and retail access customers.

Accordingly, the Company has determined that the TACS applicable to full service customers is 0.036 cents per kWh, and the TACS applicable to retail access customers is 0.011 cents per kWh. The calculations supporting this determination are attached as Appendix A.

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

Very truly yours,

/s/

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