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July 2, 2012

Honorable Jaclyn A. Brilling Secretary New York State Public Service Commission Three Empire State Plaza Albany, NY 12223-1350

Re: Case 11-G-0543 - In the Matter of the Commission's Examination of the Criteria for Interruptible Gas Service

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, PSC No. 4 – Gas ("Gas Tariff").

Leaf	118	Revision	9
Leaf	121	Revision	7
Leaf	122	Revision	6
Leaf	122.1	Revision	5
Leaf	122.1.1	Revision	1
Leaf	122.2	Revision	5
Leaf	122.3	Revision	1
Leaf	137	Revision	9
Leaf	139.1	Revision	8
Leaf	140	Revision	5
Leaf	140.1	Revision	0
Leaf	141	Revision	10
Leaf	141.1.1	Revision	1
Leaf	141.2	Revision	6

These leaves are issued July 2, 2012 to become effective August 1, 2012. This filing is made in compliance with the Commission's Order Directing Certain Utilities to Submit Tariff Amendments, issued and effective May 23, 2012 in Case No. 11-G-0543 (the "Order").

Reason for Filing

On December 14, 2011, the Commission issued a Notice Soliciting Comments to New York's gas utilities about the current state of their interruptible service, in the form of twelve

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questions which addressed current interruptible service practices and potential improvements to interruptible service. As a result of the comments received, the Commission determined that New York's gas utilities were generally in compliance with existing rules for interruptible customers. However; in Ordering Clause 1 of the Order, the Commission ordered certain gas utilities to file tariff amendments making an affidavit option available to their process load interruptible gas customers who choose to shut down operations during critical periods in lieu of maintaining a full alternate fuel supply inventory. In addition, the Commission concluded the following:

- A minimum communication standard should be followed by all gas utilities by maintaining at least three contact sources for each customer and by contacting other affected parties (e.g., NYSERDA, and various oil associations) as part of the notification process.
- Each utility should provide Commission Staff annually with a copy of any letter it sends to interruptible customers alerting such customers of the need to replenish oil storage inventories whenever cumulative interruptions exceed 5 days prior to February 15.

Summary of Tariff Changes

Service Classification ("SC") Nos. 3 and 8 have been modified to include a Shut-Down Option for "process load" interruptible customers who choose to shut down operations in lieu of maintaining alternate fuel reserves. Process load customers, for purposes of this Shut-Down Option, are customers that: (a) use gas predominantly for manufacturing or other industrial purposes; (b) can withstand a suspension of such manufacturing or industrial operations for the duration of an interruption; and (c) can shut down such operations in the time frame required under SC No. 3 and SC No. 8 upon notice by the Company of a period of interruption. Customers ineligible for the Shut-Down Option include, but are not limited to: human needs customers, schools, non-residential customers using gas primarily for space heating purposes, and electric generators. A customer electing the Shut-Down Option must submit to the Company, by October 1 of each year, a signed affidavit, in the form included in the Company's Gas Transportation Operating Procedures Manual ("GTOP"), attesting to the customer's commitment to shut down operations during periods of interruption. Customers taking service under the Shut-Down Option who fail to interrupt may be physically shut down by the Company at the customer's expense.

The current shut down option in Special Provision E of SC No. 3 and Special Provision F of SC No. 8, requiring the installation of an automatic shut-off valve and associated communications equipment at the customer's expense, has been eliminated from the Gas Tariff.

The Company is also submitting under separate cover changes to its GTOP corresponding with the changes being made to the Gas Tariff.

Conclusion and Notice

Ordering Clause 1 of the Order required tariff amendments to be filed on not less than 30 days' notice to become effective July 1, 2012. By letter dated May 30, 2012, the Company

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requested an extension of the filing deadline until July 2, 2012 to file tariff and GTOP amendments to become effective August 1, 2012. The request was granted in your ruling dated June 1, 2012.

Pursuant to Ordering Clause 3 of the Order, the requirements of Section 66(12)(b) of the Public Service Law as to newspaper publication of the tariff amendments being proposed are waived.

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

Very truly yours,

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