



February 26, 2014

Honorable Kathleen H. Burgess
Secretary to the Commission
State of New York
Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. ("the Company") herein submits for filing its Statement of Market Supply Charge, Statement No. MSC-24, to its Schedule for Electric Service, P.S.C. No. 3-ELECTRICITY. This Statement is issued February 26, 2014, to become effective March 1, 2014.

The Market Supply Charges ("MSC") for March 2014 include a projection of March 2014 electric supply costs and a reconciliation of January 2014 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.

In January 2014, the Company under collected approximately \$8.1 million. Normally, this under collection would have been fully reconciled in the March 2014 MSC rates. The Company will defer, for future disposition, \$2.0 million of this under collection to mitigate the impact of the under collection on the March 2014 MSC rates. Interest will be accrued, at the Commission-approved rate for GAC refunds, on the deferred portion of the January 2014 under collection.

The Company also includes a copy of the workpapers used to determine the March 2014 MSC.

Questions regarding this filing can be directed to Cheryl Ruggiero at (212) 460-3189.

Sincerely,

/s/

William A. Atzl, Jr.
Director – Rate Engineering