



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

September 26, 2008

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

Re: Case No. 07-M-0548 – Proceeding on
Motion of the Commission Regarding
an Energy Efficiency Portfolio
Standard

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. (“O&R” or the “Company”) hereby submits for filing the following tariff leaves proposing revisions to its Schedule for Gas Service, PSC No. 4 – Gas (“Gas Tariff”).

Leaf 112	Revision 5
Leaf 115	Revision 10
Leaf 116	Revision 17
Leaf 117	Revision 8
Leaf 133	Revision 19

These tariff leaves are issued September 26, 2008 to become effective on October 1, 2008. The Company is also filing its Statement of System Benefits Charge, Statement No. SBC-2 to the Gas Tariff. This Statement is issued September 26, 2008, to become effective October 1, 2008.

Reason for the Proposed Tariff Change

Pursuant to the Commission’s Order Establishing Energy Efficiency Portfolio Standard and Approving Programs (the “Order”) issued June 23, 2008, in the above-referenced proceeding, the Company was directed to establish a gas System Benefits Charge (“SBC”) and to collect SBC amounts from October 1, 2008 through December 31, 2011. The Company filed tariff amendments and a statement on August 1, 2008, in accordance with the Order. Subsequently, the Company was informed that the Commission issued a July 3, 2008 Errata Notice revising the gas SBC collection amounts on Table 18 of Appendix 1 to the Order. In addition, based on the discussion on pages 41-42 of the Order, the Company has determined that its gas SBC is to be collected only from residential customers. The Company is filing the tariff amendments and statement herewith, in accordance with the revised collection amounts stated in the Errata Notice and the revised interpretation of the Order with respect to the applicability of O&R’s gas SBC.

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Summary of the Proposed Changes

The Company is making the following tariff changes:

- General Information Section No. 23, System Benefits Charge, has been modified to apply only to residential customers under Service Classifications Nos. 1 and 6. This section has also been revised to reflect the revised O&R collection amount stated in the Errata Notice.
- Leaves Nos. 115 and 133 were revised to specify that the SBC applies only to residential customers under Service Classification Nos. 1 and 6.
- Leaf No. 116 was revised to exclude the SBC.
- The number of rate parts was changed from Eight to Seven on Leaves Nos. 116 and 117.

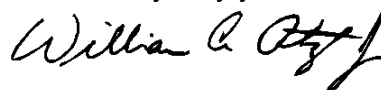
The SBC shown on the enclosed Statement of System Benefits Charge is designed to recover \$116,755 for the fourth quarter of 2008. The Statement contains the SBC, on a cents per Ccf basis, to become effective on October 1, 2008. Thereafter, the Company will file a revised SBC to take effect January 1 of each year beginning in 2009 to recover the applicable annual SBC collection amounts. Any over- or under-collections of the SBC for each calendar year through 2010 will be reconciled and included in the subsequent year's amount to be collected, commencing January 1 of each year thereafter. Any over- or under-collections of the SBC during 2011 will also be reconciled and credited to or collected from customers as directed by the Commission.

Conclusion and Notice

The Company is filing the tariff amendments and statement to become effective October 1, 2008. Ordering Clause 6 of the Order waived newspaper publication.

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

Very truly yours,



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