



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

January 11, 2005

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

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. hereby transmits for electronic filing its Statement of Increase in Rates and Charges No. RTS-25 to the Schedule for Gas Service P.S.C. No. 4 - GAS. Under separate cover, the Company also filed its Statement of Increase in Rates and Charges No. RTS-79 to its Schedule for Electric Service, P.S.C. No. 2 - Electricity. These Statements are issued January 11, 2005 to become effective February 1, 2005.

The Company's tariff schedules, Section 15 of P.S.C. No. 4 - Gas and Section 18 of P.S.C. No. 2 - Electricity, provide for reconciliation of the Temporary Metropolitan Transportation Authority Business Tax Surcharge (MTA Tax) recoveries with the MTA Tax expenses. The tariff provisions further provide for adjustment, if necessary, of the revenue tax surcharge rates in the last two months of each fiscal period to reflect the results of the reconciliation.

The work papers detailing the reconciliation and determination of the proposed MTA Tax surcharge rates for the billing months of February and March 2005 are being submitted with the Company's electric filing.

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

Very truly yours,

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