

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

March 13, 2012

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

> Re: Statement of Municipal Surcharges Village of New Square

Dear Secretary Brilling:

Orange and Rockland Utilities, Inc. ("the Company") hereby submits for electronic filing the Statement of Municipal Surcharges, Statement No. MUN-1, to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY ("Electric Tariff"). This statement is issued March 13, 2012, to become effective April 1, 2012.

The purpose of this filing is to perform an annual reconciliation of the municipal surcharge assessed on the bills of customers in the Village of New Square ("the Village") for undergrounding the Company's transmission facilities within the Village. This filing is made in accordance with General Information Section No. 20 of the Electric Tariff and the Commission's order issued March 26, 2007, ("March 2007 Order"), in Case No. 06-E-1571.

The surcharge reflected in Statement No. MUN-1 has been determined in a manner consistent with the Electric Tariff and the Company's agreement with the Village.

The March 2007 Order requires the Company to file with the Commission the supporting work papers. Due to the confidential material contained in these documents, the Company is filing the supporting work papers with the Commission's Records Access Officer and seeking trade secret status for them pursuant to Sections 87.2(c) and (d) of the Public Officers Law and 16 N.Y.C.R.R. Section 6-1.3.

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

Very truly yours,

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