

STATE OF NEW YORK

Public Service Commission

Garry A. Brown, Chairman

Three Empire State Plaza, Albany, NY 12223

Further Details: James Denn (518) 474-7080

<http://www.dps.state.ny.us>

FOR RELEASE: IMMEDIATELY

09038/08-G-1398

COMMISSION SEEKS COMMENT ON O&R PROPOSED GAS RATES

Albany, NY—05/04/09—The New York State Public Service Commission (Commission) seeks public comments on an application filed November 26, 2008 in which Orange and Rockland Utilities, Inc. (O&R) proposed new rates to increase its annual gas revenues by \$17.8 million for the 12 months ending October 31, 2010.

The November filing also provided information in support of subsequent revenue increases for the 12 months ending October 31, 2011 and October 31, 2012 of \$6.9 million and \$3.9 million, respectively. To phase in the rate increase over this three-year period, O&R has proposed to increase rates by \$6.6 million in the first year; by \$11.9 million in the second year; and by \$11.9 million in the third year.

The reasons offered by O&R in support of the requested revenue increases include lower amounts of firm and interruptible sales revenues; new and expanded operating programs with staffing increases; carrying costs and increased depreciation expense for new infrastructure investments; and higher property taxes.

The company's rate application may be approved or rejected, in whole or in part, by the Commission. The Commission also may adopt rate changes not proposed by the company or any other party.

How to Comment

Interested members of the public are invited to comment on O&R's proposal. Persons may comment as follows:

Written Comments: Write to Jaclyn A. Brillling, Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350. Your comments should refer to "Case 08-G-1398 – Orange and Rockland Utilities, Inc. – Gas Rates."

Toll-free Opinion Line: Comments may also be submitted through the Commission's Opinion Line at 1-800-335-2120. This number is designated to take comments about pending cases from intrastate callers, 24 hours a day. Callers should select English or Spanish and press "1" to leave comments.

Internet: Comments may also be submitted via the internet at www.AskPSC.com. Many libraries offer free Internet access.

All comments submitted via one of these alternative means should be submitted or mailed and post marked by not later than July 30, 2009. All public comments received by the Commission will be placed in the official case file and be subject to public inspection.

The company's rate filing in Case 08-G-1398 may be viewed at the Commission's offices at Three Empire State Plaza, 14th Floor, Albany, New York and 90 Church Street, New York, New York (bring picture identification for security purposes).