

# ANNUAL REPORT

OF

ROCKLAND ELECTRIC COMPANY

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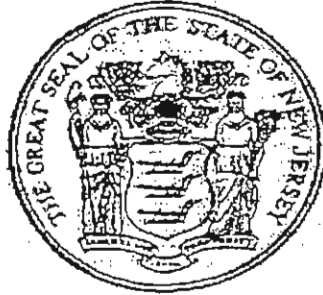
NAME OF RESPONDENT

4 IRVING PLACE NEW YORK N.Y. 10003

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ADDRESS OF RESPONDENT

TO THE



STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES  
TWO GATEWAY CENTER  
NEWARK, NEW JERSEY 07102

FOR THE YEAR ENDED DECEMBER 31, 2009

Name of Officer in charge of correspondence

with the Board regarding this report \_\_\_\_\_

ROBERT MUCCILO

CHIEF FINANCIAL OFFICER  
& CONTROLLER

Official Title \_\_\_\_\_

Office Address \_\_\_\_\_

4 IRVING PLACE

NEW YORK N.Y. 10003

Name and Address of Registered Agent

CORPORATION SERVICE COMPANY  
830 BEAR TAVERN ROAD  
WEST TRENTON N.J. 08628

**Report of Independent Auditors**

To the Board of Directors of Rockland Electric Company :

We have audited the balance sheets of Rockland Electric Company (the "Company") as of December 31, 2009 and 2008 and the related statements of income, of retained earnings and of cash flows for the years then ended included on pages 110 through 121 and on page 123 of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note A, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in the applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended, in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the Board of Directors and management of the Company and the Federal Energy Regulatory Commission, and is not intended to be and should not be used by anyone other than these specified parties.



April 16, 2010

**FERC FORM NO. 1/3-Q:  
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

**IDENTIFICATION**

01 Exact Legal Name of Respondent Rockland Electric Company		02 Year/Period of Report End of <u>2009/Q4</u>	
03 Previous Name and Date of Change (if name changed during year)  / /			
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 4 Irving Place, New York, NY 10003			
05 Name of Contact Person Anthony Barretta		06 Title of Contact Person Senior Accountant	
07 Address of Contact Person (Street, City, State, Zip Code) 4 Irving Place, New York, NY 10003			
08 Telephone of Contact Person, Including Area Code (212) 460-2424	09 This Report Is (1) <input checked="" type="checkbox"/> An Original      (2) <input type="checkbox"/> A Resubmission		10 Date of Report (Mo, Da, Yr) 04/16/2010

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Robert Muccilo	03 Signature  Robert Muccilo	04 Date Signed (Mo, Da, Yr) 04/16/2010
02 Title Chief Financial Officer & Controлле		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

## LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
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30	Capital Stock	250-251	
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35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Other Deferred Credits	269	
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65	Generating Plant Statistics Pages	410-411	
66	Transmission Line Statistics Pages	422-423	

Name of Respondent Rockland Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report End of <u>2009/Q4</u>
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Lines Added During the Year	424-425	
68	Substations	426-427	
69	Transactions with Associated (Affiliated) Companies	429	
70	Footnote Data	450	

**Stockholders' Reports** Check appropriate box:

- Two copies will be submitted
- No annual report to stockholders is prepared

Name of Respondent Rockland Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report End of <u>2009/Q4</u>
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**GENERAL INFORMATION**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Robert Muccilo, Chief Financial Officer and Controller  
4 Irving Place  
New York, N.Y. 10003

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

New Jersey, December 27, 1899 - "An Acting Concerning Corporation"

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric - New Jersey

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1)  Yes...Enter the date when such independent accountant was initially engaged:  
(2)  No

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**CONTROL OVER RESPONDENT**

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

Orange and Rockland Utilities, Inc., One Blue Hill Plaza, Pearl River, New York through 100% ownership of Company Stock.

Respondent has been operated and controlled by Orange and Rockland Utilities, Inc. since its organization December 27, 1899, control through common stock ownership having been established December 15, 1901.



CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Rockland Electric Co. Transition Funding LLC	Special Purpose Entity	100%	
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.  
 2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President and CEO, Director (a)	John D. McMahon	
2	President and CEO, Director (a)	William Longhi	
3	Chief Financial Officer and Controller (b)	Robert Hogleund	
4	Chief Financial Officer and Controller (b)	Robert Muccilo	
5	Treasurer (b)	John E. Perkins	
6	VP - Operations (a)	James W. Tarpey	
7	VP - Customer Service (a)	James J. O'Brien, Jr.	
8	VP - Customer Service (a)	Edwin J. Ortiz	
9	Chairman (b)	Kevin Burke	
10	Secretary (b)	Marissa Joss-Waronker	
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12	(a) Orange and Rockland Employee		
13	(b) Consolidated Edison Company of N.Y Employee		
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Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	William G. Longhi	One Blue Hill Plaza, Pearl River, NY 10570
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Name of Respondent

Rockland Electric Company

This Report Is:

(1)  An Original

(2)  A Resubmission

Date of Report

(Mo, Da, Yr)

04/16/2010

Year/Period of Report

End of 2009/Q4

INFORMATION ON FORMULA RATES  
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates?

Yes

No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
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Name of Respondent

Rockland Electric Company

This Report Is:

(1)

An Original

(2)

A Resubmission

Date of Report

(Mo, Da, Yr)

04/16/2010

Year/Period of Report

End of 2009/Q4

INFORMATION ON FORMULA RATES  
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?

Yes

No

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

Line No.	Accession No.	Document Date \ Filed Date	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
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INFORMATION ON FORMULA RATES

Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

Line No.	Page No(s).	Schedule	Column	Line No
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Name of Respondent Rockland Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/16/2010	Year/Period of Report End of <u>2009/Q4</u>
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**IMPORTANT CHANGES DURING THE QUARTER/YEAR**

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK  
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent Rockland Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report 2009/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

01- None

02- None

03- None

04- None

05- None

06- None

07- None

08- None

09- None

10- None

11- None

12- None

13- Effective February 1, 2009, William G. Longhi has been named President and CEO of Orange and Rockland Utilities Inc.

Effective December 1, 2009, Robert Muccilo has been named CFO and Controller of Orange and Rockland Utilities Inc.

14- None



**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	253,059,111	240,692,971
3	Construction Work in Progress (107)	200-201	3,141,756	3,574,381
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		256,200,867	244,267,352
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	62,003,360	61,192,008
6	Net Utility Plant (Enter Total of line 4 less 5)		194,197,507	183,075,344
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		194,197,507	183,075,344
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)		0	0
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	231,500	231,500
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets – Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		231,500	231,500
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		655,307	231,353
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		57,374	27,020
38	Temporary Cash Investments (136)		7,350,501	10,260,077
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		16,270,860	19,174,270
41	Other Accounts Receivable (143)		5,586,482	488,915
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		606,898	600,414
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		334,669	2,708,482
45	Fuel Stock (151)	227	0	0
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	2,026,476	2,072,202
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)** (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		2,503,866	528,270
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		9,037,172	9,277,296
62	Miscellaneous Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		43,215,809	44,167,471
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)		0	4,665
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	56,637,685	64,847,557
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		0	0
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	1,918,617	191,082
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	20,562	30,433
81	Unamortized Loss on Reaquired Debt (189)		0	0
82	Accumulated Deferred Income Taxes (190)	234	10,662,545	9,324,668
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		69,239,409	74,398,405
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		306,884,225	301,872,720

**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	11,200,000	11,200,000
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	154,752,063	167,954,017
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	-21,162,358
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	0	0
16	Total Proprietary Capital (lines 2 through 15)		165,952,063	157,991,659
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	0	0
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	0	0
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		0	0
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		50,000	50,000
29	Accumulated Provision for Pensions and Benefits (228.3)		4,321,203	6,249,003
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		0	0
35	Total Other Noncurrent Liabilities (lines 26 through 34)		4,371,203	6,299,003
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		11,345,084	9,257,027
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		19,724,414	16,557,700
41	Customer Deposits (235)		2,195,697	2,244,497
42	Taxes Accrued (236)	262-263	166,065	395,876
43	Interest Accrued (237)		-173,401	868,499
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)** (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		0	0
48	Miscellaneous Current and Accrued Liabilities (242)		13,730,873	16,332,506
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		46,988,732	45,656,105
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		201,301	237,624
57	Accumulated Deferred Investment Tax Credits (255)	266-267	791,160	879,545
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	4,920	4,878
60	Other Regulatory Liabilities (254)	278	14,170,850	19,979,984
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		33,837,378	31,537,586
64	Accum. Deferred Income Taxes-Other (283)		40,566,618	39,286,336
65	Total Deferred Credits (lines 56 through 64)		89,572,227	91,925,953
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		306,884,225	301,872,720

STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	216,630,912	237,722,163		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	187,136,946	203,627,028		
5	Maintenance Expenses (402)	320-323	5,852,930	5,183,896		
6	Depreciation Expense (403)	336-337	3,424,529	3,152,216		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	47,953	235,585		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	7,729,183	7,945,286		
15	Income Taxes - Federal (409.1)	262-263	931,496	3,163,170		
16	- Other (409.1)	262-263	1,161,164	1,413,755		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	8,185,332	4,322,135		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	4,933,693	1,740,997		
19	Investment Tax Credit Adj. - Net (411.4)	266	-88,385	-71,341		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		209,447,455	227,230,733		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		7,183,457	10,491,430		

STATEMENT OF INCOME FOR THE YEAR (Continued)

- 9. Use page 122 for important notes regarding the statement of income for any account thereof.
- 10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
- 11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
- 12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
- 13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
- 14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
- 15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
216,630,912	237,722,163					2
						3
187,136,946	203,627,028					4
5,852,930	5,183,896					5
3,424,529	3,152,216					6
						7
47,953	235,585					8
						9
						10
						11
						12
						13
7,729,183	7,945,286					14
931,496	3,163,170					15
1,161,164	1,413,755					16
8,185,332	4,322,135					17
4,933,693	1,740,997					18
-88,385	-71,341					19
						20
						21
						22
						23
						24
209,447,455	227,230,733					25
7,183,457	10,491,430					26

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		7,183,457	10,491,430		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)					
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)					
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		902,378	279,440		
38	Allowance for Other Funds Used During Construction (419.1)		107,183	122,301		
39	Miscellaneous Nonoperating Income (421)		-3			
40	Gain on Disposition of Property (421.1)					
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		1,009,558	401,741		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)					
44	Miscellaneous Amortization (425)					
45	Donations (426.1)		88,668	86,977		
46	Life Insurance (426.2)		15,084	-17,672		
47	Penalties (426.3)					
48	Exp. for Certain Civic, Political & Related Activities (426.4)		56			
49	Other Deductions (426.5)		10,312	10,225		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		114,120	79,530		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	17,101	16,040		
53	Income Taxes-Federal (409.2)	262-263	275,931	-10,334		
54	Income Taxes-Other (409.2)	262-263				
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	-89,986	23,000		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277				
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		203,046	28,706		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		692,392	293,505		
61	Interest Charges					
62	Interest on Long-Term Debt (427)					
63	Amort. of Debt Disc. and Expense (428)			1,508		
64	Amortization of Loss on Reaquired Debt (428.1)					
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)					
68	Other Interest Expense (431)		-30,210	105,608		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		54,345	68,990		
70	Net Interest Charges (Total of lines 62 thru 69)		-84,555	38,126		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		7,960,404	10,746,809		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		7,960,404	10,746,809		

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		146,791,660	157,207,209
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		7,960,404	10,746,809
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31				
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)			
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			( 21,162,358)
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		154,752,064	146,791,660
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				



STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		154,752,064	146,791,660
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)			( 21,162,358)
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52	Transfer to line 37 (see above)			
53	Balance-End of Year (Total lines 49 thru 52)			( 21,162,358)

**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	7,960,404	10,746,809
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	3,472,482	3,387,801
5	Amortization of Debt Expense		1,508
6			
7	Gain on hedging activities		3,825,220
8	Deferred Income Taxes (Net)	2,242,197	2,844,298
9	Investment Tax Credit Adjustment (Net)	-88,385	-71,341
10	Net (Increase) Decrease in Receivables	426,264	-5,739,137
11	Net (Increase) Decrease in Inventory	45,726	-459,764
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	1,332,627	21,166,152
14	Net (Increase) Decrease in Other Regulatory Assets	8,209,872	-11,525,650
15	Net Increase (Decrease) in Other Regulatory Liabilities	-5,809,134	290,540
16	(Less) Allowance for Other Funds Used During Construction	107,183	122,301
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):	-4,569,353	-1,598,832
19	Net (Increase) Decrease in prepaid assets	-1,975,597	-486,367
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	11,139,920	22,258,936
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-12,729,066	-14,074,256
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-107,183	-122,301
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-12,621,883	-13,951,955
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)	-973,305	-1,107,951
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
 (2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
 (3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
 (4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase ) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-13,595,188	-15,059,906
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)		
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)		
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock		
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)		
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-2,455,268	7,199,030
87			
88	Cash and Cash Equivalents at Beginning of Period	10,518,451	3,319,421
89			
90	Cash and Cash Equivalents at End of period	8,063,183	10,518,451

Name of Respondent Rockland Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

**Schedule Page: 120 Line No.: 18 Column: a**

ROCKLAND ELECRTIC COMPANY  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED

Accum Provision	December 2009	December 2008
Charged to Clearing	9,012	9,647
Transfers	44,825	225,251
Retirement of Original Cost	(946,110)	(2,220,368)
	<u>(892,273)</u>	<u>(1,985,470)</u>
Unamortized Debt Expenses	4,665	(3,878)
Extraordinary Prop Loss	-	
Misc Deferred Debit	(1,727,534)	2,197,181
Research and Development	9,870	9,870
Accum Prov for Injuries	-	(45,000)
Accum Prov for Pensions	(1,927,800)	(1,800,366)
Customer Advances for Constr	(36,323)	29,560
Other Deferred Credits	42	(728)
<b>Total Other</b>	<u><b>(4,569,353)</b></u>	<u><b>(1,598,831)</b></u>

Name of Respondent Rockland Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/16/2010	Year/Period of Report End of <u>2009/Q4</u>
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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Recquired Debt, and 257, Unamortized Gain on Recquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK  
SEE PAGE 123 FOR REQUIRED INFORMATION.

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Rockland Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

## General

Rockland Electric Company (the Company or RECO), a New Jersey corporation, is a wholly owned subsidiary of Orange and Rockland Utilities, Inc. (the Parent or O&R), a New York corporation, which in turn is a wholly owned subsidiary of Consolidated Edison, Inc. (Con Edison). The Company is subject to regulation by the Federal Energy Regulatory Commission (FERC) and the New Jersey Board of Public Utilities (NJBPU). The Company's accounting policies conform to accounting principles generally accepted in the United States of America, as applied in the case of regulated utilities, and are in accordance with the accounting requirements and rate-making practices of the NJBPU.

RECO provides electric service in northern New Jersey. In addition, RECO owns Rockland Electric Company Transition Funding LLC (Transition Funding), which was formed in 2004 in connection with the securitization of certain purchased power costs (See Note C).

RECO has no employees. The Parent provides essentially all of RECO's corporate and operating services, and charges RECO for the services pursuant to cost allocation procedures that have been approved by the NJBPU.

## Note A – Summary of Significant Accounting Policies

### Basis of Accounting

The financial statements are prepared in accordance with the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts (USOA) and published accounting releases. This is a comprehensive basis for accounting other than accounting principles generally accepted in the United States (GAAP). Differences from GAAP include:

- a. the presentation of special deposits within other property and investments in accordance with the FERC USOA, while GAAP requires such amounts to be reflected as cash and temporary cash investments;
- b. the presentation of bank overdrafts as a negative current asset under the FERC USOA, while GAAP requires such amounts to be presented as a current liability;
- c. the absence of a requirement under the FERC USOA to present the current portion of long-term debt separately from the non-current portion of long-term debt, as required by GAAP;
- d. the accounting for investments in majority-owned subsidiary companies under the equity method in accordance with the FERC USOA, rather than under the consolidation method as is typically required by GAAP;
- e. the presentation of environmental costs as a current liability under the FERC USOA, while such amounts are considered a non-current liability under GAAP;

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NOTES TO FINANCIAL STATEMENTS (Continued)			

- f. the presentation of deferred tax assets and liabilities on a gross basis in accordance with the FERC USOA, while such amounts are netted by jurisdiction and classification under GAAP; and
- g. the presentation of amounts collected through customer rates for future costs of removal for property as a component of accumulated depreciation in accordance with the FERC USOA, as opposed to a regulatory liability or asset retirement obligation under GAAP.
- h. the liability for uncertain income taxes in accordance with Fin 48 is reported in the applicable accounts under the FERC USOA, while such amounts are separately disclosed in the financial statements prepared in compliance with GAAP.

## Principles of Consolidation

The Company's consolidated financial statements include the accounts of its subsidiaries, including Transition Funding. All intercompany balances and transactions have been eliminated.

## Accounting Policies

The accounting policies of the Company conform to accounting principles generally accepted in the United States of America. These accounting principles include the accounting rules for regulated operations and the accounting requirements of the FERC and the NJBPU.

The accounting rules for regulated operations specify the economic effects that result from the causal relationship of costs and revenues in the rate-regulated environment and how these effects are to be accounted for by a regulated enterprise. Revenues intended to cover some costs may be recorded either before or after the costs are incurred. If regulation provides assurance that incurred costs will be recovered in the future, these costs would be recorded as deferred charges or "regulatory assets" under accounting rules for regulated operations. If revenues are recorded for costs that are expected to be incurred in the future, these revenues would be recorded as deferred credits or "regulatory liabilities" under accounting rules for regulated operations.

The Company's principal regulatory assets and liabilities are detailed in Note B. The Company is receiving or being credited with a return on the majority of its regulatory assets for which a cash outflow has been made, and is paying or being charged with a return on all of their regulatory liabilities for which a cash inflow has been received. The Company's regulatory assets and liabilities will be recovered from customers, or applied for customer benefit, in accordance with rate provisions approved by the NJBPU.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Other significant accounting policies of the Company are referenced below in this Note A and in the notes that follow.

## Plant and Depreciation

### Utility Plant

Utility plant is stated at original cost. The cost of repairs and maintenance is charged to expense and the cost of betterments is capitalized. The capitalized cost of additions to utility plant includes indirect costs such as supervision, payroll taxes, pensions, other benefits and an allowance for funds used during construction (AFDC). The original cost of property is charged to expense over the estimated useful lives of the assets. Upon retirement, the original cost of property is charged to accumulated depreciation. See Note I.

Rates used for AFDC include the cost of borrowed funds and a reasonable rate of return on the Company's own funds when so used, determined in accordance with regulations of the FERC or the NJBPU. The rate is compounded semiannually, and the amounts applicable to borrowed funds are treated as a reduction of interest charges, while the amounts applicable to the Company's own funds are credited to other income (deductions). The AFDC rates for the Company were 8.5 percent and 7.8 percent for 2009 and 2008, respectively.

The Company generally computes annual charges for depreciation using the straight-line method for financial statement purposes, with rates based on average service lives and net salvage factors. The average depreciation rates for the Company were 1.4 percent and 1.5 percent in 2009 and 2008, respectively.

The estimated lives for utility plant for the Company range from five to 65 years.

At December 31, 2009 and 2008, the capitalized cost of the Company's utility plant, net of accumulated depreciation, was as follows:

(Thousands of Dollars)	2009	2008
Electric		
Transmission	\$21,929	\$21,964
Distribution	166,008	158,456
General	2,566	2,379
Held for future use	2,255	209
Construction work in progress	3,141	3,574
NET UTILITY PLANT	\$195,89	\$186,58
	9	2

Under the Company's current rate plans, the aggregate annual depreciation allowance in effect at December



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NOTES TO FINANCIAL STATEMENTS (Continued)			

31, 2009 was \$2.6 million.

## Impairments

In accordance with accounting rules accounting for the impairment or disposal of long-lived assets, the Company evaluates the impairment of long-lived assets, based on projections of undiscounted future cash flows, whenever events or changes in circumstances indicate that the carrying amounts of such assets may not be recoverable. In the event an evaluation indicates that such cash flows cannot be expected to be sufficient to fully recover the assets, the assets would be written down to their estimated fair value.

## Revenues

The Company recognizes revenues for electric service on a monthly billing cycle basis. The Company accrues revenues at the end of each month for estimated energy service not yet billed to customers. Unbilled revenues included in RECO's balance sheet at December 31, 2009 and 2008 were \$9.0 million and \$9.3 million, respectively.

RECO records transitional energy facilities assessment (TEFA) tax, as revenues and expenses on a gross income statement presentation basis (i.e., included in both revenue and expense). The recovery of these taxes is included in the revenue requirement within the approved rate plan. The TEFA tax amounts for 2009 and 2008 were \$6.1 million and \$6.4 million, respectively.

## Recoverable Energy Costs

The Company generally recovers all of its prudently purchased power costs, including hedging gains and losses, in accordance with rate provisions approved by the NJBPU. The Company purchases approximately 90 percent of its electricity needs under a competitive bidding process supervised by the NJBPU for contracts ranging from one to three years. The Parent purchases, and resells to the Company, the remaining portion of RECO's electricity needs through the wholesale electricity market administered by the New York Independent System Operator (NYISO). New Jersey Basic Generation Service (NJBGS) rates are adjusted to conform to contracted prices when new contracts take effect and differences between actual monthly costs and revenues are reconciled and charged or credited to customers on a two-month lag.

## Independent System Operators

Approximately 90 percent of RECO's energy supply is covered by fixed price contracts ranging from one to

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NOTES TO FINANCIAL STATEMENTS (Continued)			

three years that are competitively bid through the NJBPU auction process and provided through the Pennsylvania–Jersey–Maryland (PJM) Independent System Operator.

As noted above, the Parent purchases electricity for approximately ten percent of the Company’s electricity needs through the wholesale electricity market administered by the NYISO. The difference between purchased power and related costs initially billed to the Company by the NYISO and the actual cost of power subsequently calculated by the NYISO is refunded by the NYISO to the Company, or paid to the NYISO by the Company.

Certain other payments to or receipts from the NYISO are also subject to reconciliation, with shortfalls or amounts in excess of specified rate allowances recoverable from or refundable to customers.

### Temporary Cash Investments

Temporary cash investments are short-term, highly-liquid investments that generally have maturities of three months or less at the date of purchase. They are stated at cost, which approximates market. The Company considers temporary cash investments to be cash equivalents.

### Federal Income Tax

In accordance with the accounting rules for income taxes, the Company has recorded an accumulated deferred federal income tax liability for temporary differences between the book and tax basis of assets and liabilities at current tax rates. In accordance with rate plans, the Company has recovered amounts from customers for a portion of the tax liability they will pay in the future as a result of the reversal or “turn-around” of these temporary differences. As to the remaining tax liability, in accordance with the accounting rules for regulated operations, the Company has established regulatory assets for the net revenue requirements to be recovered from customers for the related future tax expense. See Note B. The Company’s federal income tax return reflects certain tax positions with which the Internal Revenue Service (IRS) does not or may not agree. See “Uncertain Tax Positions” in Note G.

Accumulated deferred investment tax credits are amortized ratably over the lives of the related properties and applied as a reduction to future federal income tax expense.

The Parent and its subsidiaries are included as part of the consolidated federal income tax return filed by Con Edison. The consolidated federal income tax liability is allocated to each member of the consolidated group

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NOTES TO FINANCIAL STATEMENTS (Continued)			

using the separate return method. Each member pays or receives an amount based on its own taxable income or loss in accordance with tax sharing agreements between the members of the consolidated group.

## State Income Tax

The Company files a New Jersey Corporate Income Tax Return. The income of the Company is subject to New Jersey State taxation, after adjustments for differences between federal and New Jersey law.

## Reclassification

Certain prior year amounts have been reclassified to conform with the current year presentation. Consistent with current industry practice, the Company is presenting income tax expense as one item on its consolidated income statements (instead of separate items in the operating income and other income sections of the consolidated income statements) and changing the order of presentation on its consolidated balance sheets of current assets, net utility plant, current liabilities, long-term debt and shareholder's equity.

## Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## Note B – Regulatory Matters

### Rate Agreements

In July 2004, a special purpose entity formed by RECO (which is included in the Company's consolidated financial statements) issued \$46 million of 5.22% Transition Bonds and used the proceeds thereof to purchase from RECO the right to be paid a Transition Bond Charge (TBC) and associated tax charges by its customers relating to previously deferred purchased power costs for which the NJBPU had authorized recovery.

In March 2007, the NJBPU approved a new three-year electric base rate plan for RECO that went into effect on April 1, 2007. The plan provides for a \$6.4 million rate increase during the first year, with no further increase during the final two years. The plan reflects a return on common equity of 9.75 percent and a common equity ratio of 46.5 percent of capitalization.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

In August 2009, RECO filed a request with the NJBPU for a net increase in the rates it charges for electric service, effective May 15, 2010, of \$9.8 million. The filing reflects a return on common equity of 11.0 percent and a common equity ratio of 53.6 percent. The filing proposes the continuation of the current provisions with respect to recovery from customers of the cost of purchased power and proposes a reconciliation of actual expenses to amounts reflected in electric rates for pension and other postretirement benefit costs. In January 2010, RECO increased its requested rate increase to \$13.8 million, due primarily to lower projected revenue associated with lower estimated sales volumes. RECO anticipates that as part of this rate proceeding, the NJBPU will address the company's February 2009 petition that sought authorization to accelerate the timing of certain infrastructure projects (currently estimated at \$14 million).

### Other Regulatory Matters

In the fourth quarter of 2009, another of Con Edison's regulated utility subsidiaries, Consolidated Edison Company of New York, Inc. (CECONY), was selected by the United States Department of Energy for negotiations to receive grants under the American Recovery and Reinvestment Act of 2009 to fund 50 percent of the costs of certain smart electric grid projects, including several Smart Grid pilot projects that RECO would implement. The total cost of these RECO projects amounts to approximately \$21 million. In January 2010, RECO filed a petition with the NJBPU seeking authorization to recover from customers the costs of the RECO projects to the extent such costs are not covered by the grants. At its open session on March 25, 2010, the NJBPU approved a stipulation whereby RECO's customers will fund the revenue requirement associated with 50 percent of up to \$19.4 million of certain smart electric grid projects.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

## Regulatory Assets and Liabilities

Regulatory assets and liabilities at December 31, 2009 and 2008 were comprised of the following items:

(Thousands of Dollars)	2009	2008
<b>Regulatory assets</b>		
Transition bond costs	\$54,673	\$59,386
Future federal income tax	12,262	11,684
Deferred retirement program costs	4,374	5,856
Demand side management bidding program	1,066	3,153
Deferred derivative losses - long-term	2,020	6,633
Storm reserve excess	1,171	1,059
Con Ed merger cost to achieve	-	121
Management audit expenditures	486	17
Other	1,477	1,487
<b>Regulatory assets</b>	<b>77,529</b>	<b>89,396</b>
Recoverable energy costs - current	1,705	209
Deferred derivative losses - current	9,095	8,107
<b>Total Regulatory assets</b>	<b>\$88,329</b>	<b>\$97,712</b>
<b>Regulatory liabilities</b>		
Refundable energy costs	9,384	\$11,421
Allowance for cost of removal, less salvage	1,702	3,507
System benefit charge	1,078	2,436
Transformer installation	787	787
Other	627	2,989
<b>Total Regulatory liabilities</b>	<b>\$13,578</b>	<b>\$21,140</b>

## Note C – Capitalization

### Common Stock

All of the Company's common stock, \$100 par value, authorized and outstanding is owned by the Parent.

### Long-term Debt

At December 31, 2009 and 2008, the Company's long-term debt balances were \$34 million and \$37 million, respectively, of Transition Bonds issued by Transition Funding. Payments for this bond are due through May 2019 with a final date to pay any remaining unpaid principal balance, if any, in May 2021. See Note B. The unamortized discount on the transition bond at December 31, 2009 and 2008 is \$34 thousand and \$37 thousand, respectively.

Long-term debt maturing in the period 2010–2014 is as follows:

(Millions of Dollars)	
2010	\$3
2011	3
2012	3
2013	3
2014	4

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NOTES TO FINANCIAL STATEMENTS (Continued)			

## Note D – Pension Benefits

Substantially all employees of the Parent are covered by a tax-qualified, non-contributory pension plan maintained by Con Edison, which also covers substantially all employees of Con Edison Company of New York, Inc. and certain employees of Con Edison's competitive energy businesses. The plan is designed to comply with the Internal Revenue Code and the Employee Retirement Income Security Act of 1974.

The net periodic benefit costs are recognized in accordance with the accounting rules for retirement benefits. Investment gains and losses are fully recognized in expense over a 15-year period. Other actuarial gains and losses are fully recognized in expense over a 10-year period.

The net periodic pension expenses are paid by the Parent and then allocated to the Company. The amount allocated to the Company amounted to \$7.0 and \$6.0 million in 2009 and 2008. These expenses are included in operations and maintenance in the statement of operations.

## Note E – Other Postretirement Benefits

The Parent has contributory comprehensive hospital, medical and prescription drug programs for all retirees, their dependents and surviving spouses. In addition, the Parent has a non-contributory life insurance program for retirees. Retired RECO employees are participants.

Investment plan gains and losses are fully recognized in expense over a 15-year period, and other actuarial gains and losses are fully recognized in expense over a 10-year period.

Plan assets are used to pay benefits and expenses for participants who retired on or after January 1, 1995. The Parent pays benefits for other participants who retired prior to 1995. There were no amounts owed by the plan trust to the Parent in 2009 and 2008.

A portion of the net periodic other postretirement costs are allocated from the parent to RECO. The amounts allocated to RECO amounted to \$3.6 million and \$3.7 million in 2009 and 2008, respectively. These expenses are included in operations and maintenance in the statement of operations.

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## Note F – Income Tax

The components of income tax expense for the Company are as follows:

(Thousands of Dollars)	2009	2008
Charge/(benefit) to operations		
State		
Current	\$1,149	\$1,436
Deferred – net	776	611
Federal		
Current	1,221	3,128
Deferred – net	2,386	1,970
Amortization of investment tax credits	(88)	(71)
<b>Total Charged to Expense</b>	<b>\$5,444</b>	<b>\$7,100</b>

The tax effect of temporary differences, which gave rise to deferred tax assets and liabilities, is as follows:

(Thousands of Dollars)	2009	2008
Deferred tax liabilities:		
Depreciation	\$25,374	\$23,398
Regulatory liability – future income tax	14,557	14,030
Purchase power securitization	19,138	16,222
State income tax	8,091	6,484
Capitalized overheads	9,609	9,210
Other	(3,214)	(483)
<b>Total deferred tax liabilities</b>	<b>73,555</b>	<b>68,861</b>
Deferred tax assets:		
Regulatory asset – future income tax	2,295	2,346
Other	8,369	6,952
<b>Total deferred tax assets</b>	<b>10,664</b>	<b>9,298</b>
Net Liabilities	62,891	59,563
Investment Tax Credits	791	880
Deferred Income Tax and Investment Tax Credits	63,682	60,443
Deferred Income Tax – Recoverable Energy Cost	768	157
<b>Total Deferred Income Taxes and Investment Tax Credits</b>	<b>\$64,450</b>	<b>\$60,600</b>

Reconciliation of the difference between income tax expense and the amount computed by applying the prevailing statutory income tax rate to income before income taxes is as follows:

(% of Pre-tax income)	2009	2008
STATUTORY TAX RATE		
Federal	35%	35%
Changes in computed taxes resulting from:		
State income tax	9	7
Depreciation related differences	1	–
Cost of removal	(2)	(1)
Medicare reimbursement	(2)	(2)
Amortization of investment tax credits	(1)	–
Other	1	1
<b>Effective Tax Rate</b>	<b>41%</b>	<b>40%</b>

## Uncertain Tax Positions

Under the accounting rules for income taxes, an enterprise is not allowed to recognize, in its financial

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statements, the benefit of a tax position unless that position is more likely than not to be sustained upon examination by taxing authorities, including resolution of any related appeals and litigation processes, based solely on the technical merits of the position.

The Parent files a consolidated tax return with Con Edison and its other subsidiaries. See "Federal Income Tax" and "State Income Tax" in Note A. The IRS has essentially completed its field audits of Con Edison's consolidated federal income tax returns through 2008. Con Edison's federal income tax returns for 1998 through 2008, which remain open to examination by the IRS, reflect certain tax positions with which the IRS does not or may not agree. Any adjustments to federal income tax returns will result in the Company filing the federal audit changes with New Jersey to incorporate in the applicable state income tax returns.

The Company's uncertain tax positions include the methods used to determine the extent to which construction-related costs could be deducted in 2005 through 2008. Settlement of this uncertain tax position would not affect the Company's results of operations because deferred taxes have been previously provided for the related temporary differences between the deductions taken for federal income tax purposes and the corresponding amounts charged to expense for financial reporting purposes.

In July 2008, the IRS entered into a closing agreement with Con Edison covering, among other things, the Company's use of the "simplified service cost method" (SSCM) to determine the extent to which construction-related costs could be deducted in 2002 through 2004.

In June 2009, Con Edison entered into partial agreements with the IRS, which incorporate the July 2008 closing agreement and in relation to the Company, resulted in tax deficiencies allocable to the Company of \$1.1 million for 2002 through 2004.

In August 2009, the IRS billed Con Edison for tax liabilities and related interest, including \$1.6 million allocable to the Company for 2002 (\$1.1 million for the tax liabilities and \$456 thousand for related interest), which Con Edison paid in September 2009 by applying \$1.6 million allocable to the Company of a deposit Con Edison made with the IRS in June 2007.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits for RECO follows:

(Millions of Dollars)	2009	2008
Balance at the beginning of the year	2.0	\$2.1
Additions based on tax positions related to the current year	-	-
Additions based on tax positions of prior years	(3.7)	-
Reductions for tax positions of prior years	(1.1)	(0.1)



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Balance at the end of the year	(2.8)	\$2.0
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Management expects these reserves to be resolved within the next 12 months.

## Note G – Derivative Instruments and Hedging Activities

Under the accounting rules for derivatives and hedging, derivatives are recognized on the balance sheet at fair value, unless an exception is available under the accounting rules. Certain qualifying derivative contracts have been designated as normal purchases or normal sales contracts. These contracts are not reported at fair value under the accounting rules.

The accounting rules for derivatives and hedging were expanded in 2009 to require the Company to provide users of financial statements with enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under the accounting rules, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. The accounting rules require qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of and gains and losses on derivative instruments and disclosures about credit-risk-related contingent features in derivative agreements.

### Energy Price Hedging

The Company hedges market price fluctuations associated with physical purchases and sales of electricity by using derivative instruments including futures, forwards, basic swaps, or options. The fair values of these hedges at December 31, 2009 and 2008 were as follows:

(Thousands of Dollars)	2009	2008
Fair value of net derivative assets/ (liabilities) – gross	\$ (11,026)(a)	\$(14,616)(a)
Impact of netting of cash collateral	-	-
Fair value of net derivative assets/ (liabilities) – net	\$ (11,026)(a)	\$(14,616)(a)

(a) Includes derivative liabilities of \$9 million and \$13 million with Con Edison's competitive energy businesses at December 31, 2009 and December 31, 2008, respectively.

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### Credit Exposure

The Company is exposed to credit risk related to transactions entered into primarily for the various energy supply and hedging activities. The Company uses credit policies to manage this risk, including an established credit approval process, monitoring of counterparty limits, netting provisions within agreements and collateral or prepayment arrangements.

The Company did not have any credit exposure in connection with electricity supply and hedging activities at December 31, 2009.

### Economic Hedges

The Company enters into derivative instruments that do not qualify or are not designated as hedges under the accounting rules for derivatives and hedging. However, management believes these instruments represent economic hedges that mitigate exposure to fluctuations in electric prices.

The fair values of the Company's commodity derivatives at December 31, 2009 were:

(Thousands of Dollars)	Balance Sheet Location	Fair Value of Commodity Derivatives (a)
<b>Liability Derivatives</b>		
Current	Fair value of derivative liabilities	\$9,006
Long term	Fair value of derivative liabilities	2,020
Total liability derivatives		\$11,026
Impact of netting		-
Net liability derivatives		\$11,026(b)

(a) Qualifying derivative contracts, which have been designated as normal purchases or normal sales contracts, are not reported at fair value under the accounting rules for derivative and hedging and, therefore, are excluded from the table.

(b) Includes derivative liabilities of \$9 million with Con Edison's competitive energy businesses. See Note J.

The Company generally recovers all of its prudently incurred purchased power and gas costs, including hedging gains and losses, in accordance with rate provisions approved by the applicable state utility commissions. See "Recoverable Energy Costs" in Note A. In accordance with the accounting rules for regulated operations, the Company records a regulatory asset or liability to defer recognition of unrealized gains and losses on its commodity derivatives. As gains and losses on the Company's commodity derivatives are realized in future periods, they will be recognized as purchased power costs in the Company's income statement.

The following table presents the changes in the fair values of commodity derivatives that have been deferred

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for the year ended December 31, 2009:

Realized and Unrealized Gains/(Losses) on Commodity Derivatives <sup>(a)</sup>		
(Thousands of Dollars)	Balance Sheet Location	Deferred for the Year Ended December 31, 2009
Pre-tax gains/(losses) deferred in accordance with the accounting rules for regulated operations:		
Current	Deferred derivative losses	\$(988)
Current	Recoverable energy costs <sup>(b)</sup>	(42,074)
Long term	Regulatory assets	4,614
Total deferred losses		\$ (38,448)
Net deferred gains/(losses)		\$ (38,448)

- (a) Qualifying derivative contracts, which have been designated as normal purchases or normal sales contracts, are not reported at fair value under the accounting rules for derivatives and hedging and, therefore, are excluded from the table.
- (b) Includes payments of \$37 million to Con Edison's competitive energy businesses deferred for the year ended December 31, 2009. See Note J.

As of December 31, 2009, the Company had 3 contracts hedging electric energy or capacity market prices, which were considered to be derivatives under the accounting rules for derivatives and hedging. The following table presents the number of contracts by commodity type:

Electric Derivatives				
Number of Energy Contracts <sup>(a)(c)</sup>	MWhs <sup>(b)(c)</sup>	Number of Capacity Contracts <sup>(a)</sup>	MWs <sup>(b)</sup>	Total Number Of Contracts <sup>(a)</sup>
2	479,147	1	228	3

- (a) Qualifying derivative contracts, which have been designated as normal purchases or normal sales contracts, are not reported at fair value under the accounting rules for derivative and hedging and, therefore, are excluded from the table.
- (b) Volumes are reported net of long and short positions.
- (c) Includes one contract of 401,846 MWhs with Con Edison's competitive energy businesses. See Note J.

The collateral requirements associated with, and settlement of, the Company's derivative transactions are included in net cash flows from operating activities in the Company's statement of cash flows. Most of the Company's derivative instrument contracts contain provisions that may require the Company to provide collateral on derivative instruments in net liability positions. O&R and Con Edison of New York enter into separate derivative instruments for electric energy or capacity. Across O&R and Con Edison of New York's energy derivative positions, credit limits for the same counterparties are generally integrated. The amount of collateral to be provided will depend on the fair value of the derivative instruments and O&R and Con Edison of New York's credit ratings.

The aggregate fair value of all of the Company's derivative instruments with credit-risk-related contingent

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features that are in a net liability position, and the amount of collateral posted at December 31, 2009 and the additional collateral that would have been required to be posted had the lowest applicable credit rating been reduced one level and to below investment grade were:

(Millions of Dollars)	
Aggregate fair value – net liabilities <sup>(a)</sup>	\$2
Collateral posted <sup>(b)</sup>	–
Additional collateral <sup>(c)</sup> (downgrade one level from current rating <sup>(d)</sup> )	–
Additional collateral <sup>(c)</sup> (downgrade to below investment grade from current rating <sup>(d)</sup> )	3

- (a) Non-derivative transactions for the purchase and sale of electricity and qualifying derivative instruments, which have been designated as normal purchases or normal sales, are excluded from the table.
- (b) Across the Utilities' energy derivative positions, credit limits for the same counterparties are generally integrated. At December 31, 2009, all collateral for these positions was posted by CECONY, including the collateral posted that is estimated to be attributable to RECO shown above.
- (c) The additional collateral amounts shown above are based upon the estimated RECO allocation of the Utilities' collateral requirements. The Utilities measure the collateral requirements by taking into consideration the fair value amounts of derivative instruments that contain credit-risk-related contingent features that are in a net liability position plus amounts owed to counterparties for settled transactions and amounts required by counterparties for minimum financial security. The fair value amounts represent unrealized losses, net of any unrealized gains where the Utilities have a legally enforceable right of setoff.
- (d) The current long-term ratings of O&R are Baa1 /A-/A by Moody's Investors Service, Standard & Poor's Rating Services and Fitch Ratings, respectively. Credit ratings assigned by rating agencies are expressions of opinions that are subject to revision or withdrawal at any time by the assigning rating agency.

## Note H – Asset Retirement Obligations

In accordance with accounting rules for asset retirement obligations, companies are required to recognize a liability for legal obligations associated with the retirement of long-lived assets. Any such obligations identified by the Company were immaterial.

In accordance with the accounting rules for asset retirement obligations, future removal costs that do not represent legal asset retirement obligations are recorded as regulatory liabilities pursuant to the accounting rules of regulated operations. The related regulatory liabilities recorded for the Company were \$1.7 million and \$3.5 million in 2009 and 2008, respectively.

## Note I – Related Party Transactions

A comparative summary of the significant intercompany transactions other than those relating to federal income taxes (See Note A – Income Taxes) between the Company and the Parent for the periods ending December 31, 2009 and 2008 is as follows:

(Thousands of Dollars)	2009	2008
Purchase of electricity	\$10,471	\$19,523
Rents paid	2,803	2,754

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At December 31, 2009 and 2008, the Company owed the Parent \$12.8 million and \$13.2 million, respectively, for these transactions.

An agreement dated January 1, 1993 was made between the Parent and the Company to sell and deliver the Company's entire requirement for electricity. This agreement was amended in December 2001, to allow the Company to purchase its energy requirements from outside sources. In March 2002, RECO began to purchase approximately 90 percent of its energy supply by means of fixed price contracts ranging from one to three years that are competitively bid through the NJBPU auction process and provided through PJM. The Parent purchases, and resells to the Company, electricity for approximately ten percent of the Company's electricity needs through the wholesale electricity market administered by the NYISO. The rate for electricity purchased by the Company from the Parent is priced to reimburse the Parent for the cost of rendering service. The Parent renders bills monthly and payment is due on or before the last day of the month following the month in which service is rendered. For the years ended December 31, 2009 and 2008, the cost of these services was \$6.3 million and \$5.4 million, respectively. At December 31, 2009 and 2008, the Company owed the parent \$6.1 million and \$3.6 million, respectively, for these services. This agreement shall remain in effect unless canceled by either party by written notice given not less than six months prior to the proposed date of cancellation.

RECO purchased from Consolidated Edison Energy, Inc. \$37 million and \$24 million of electricity for the periods ended December 31, 2009 and 2008, respectively, pursuant to energy auctions.

As of December 31, 2009 and 2008, the Company's payable to Con Edison for federal income tax was \$3.0 million. At December 31, 2008, the Company's receivable from Con Edison for federal income tax was \$2.4 million. See Note A – Income Taxes.

## Note J – Fair Value Measurements

The accounting rules for fair value measurements and disclosures define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated, or generally unobservable firm inputs. The Company often makes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, and the risks inherent in the inputs to valuation

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techniques. The Company uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

The accounting rules for fair value measurements and disclosures require consideration of the impact of nonperformance risk (including credit risk) from a market participant perspective in the measurement of the fair value of assets and liabilities. At December 31, 2009, the Company determined that nonperformance risk would have no material impact on their financial position or results of operations. To assess nonperformance risk, the Company considered information such as collateral requirements, master netting arrangements, letters of credit and parent company guarantees, and applied a market-based method by using the counterparty (for an asset) or the Company's (for a liability) credit default swaps rates.

The accounting rules for fair value measurements and disclosures establish a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The rules require that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability, and may affect the valuation of the asset or liability and their placement within the fair value hierarchy. The Company classifies fair value balances based on the fair value hierarchy defined by the accounting rules for fair value measurements and disclosures as follows:

- Level 1 - Consists of assets or liabilities whose value is based on unadjusted quoted prices in active markets at the measurement date. An active market is one in which transactions for assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis. This category includes contracts traded on active exchange markets valued using unadjusted prices quoted directly from the exchange.
- Level 2 - Consists of assets or liabilities valued using industry standard models and based on prices, other than quoted prices within Level 1, that are either directly or indirectly observable as of the measurement date.

The industry standard models consider observable assumptions including time value, volatility factors, and current market and contractual prices for the underlying commodities, in addition to other economic measures. This category includes contracts traded on active exchanges or in over-the-counter markets priced with industry standard models.

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- Level 3 - Consists of assets or liabilities whose fair value is estimated based on internally developed models or methodologies using inputs that are generally less readily observable and supported by little, if any, market activity at the measurement date. Unobservable inputs are developed based on the best available information and subject to cost benefit constraints. This category includes contracts priced using models that are internally developed and contracts placed in illiquid markets. It also includes contracts that expire after the period of time for which quoted prices are available and internal models are used to determine a significant portion of the value.

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2009 are summarized below.

(Thousands of Dollars)	Level 1	Level 2	Level 3	Total
Energy derivative liabilities <sup>(1)</sup>	\$ -	\$ 357	\$ 10,669 <sup>(2)</sup>	\$

- (1) A significant portion of the energy derivative contracts categorized in Level 3 is valued using either an industry acceptable model or an internally developed model with observable inputs. The models also include some less readily observable inputs resulting in the classification of the respective contract as Level 3. See Note H.
- (2) Includes derivative liabilities of \$9 million with Con Edison's competitive energy businesses. See Note J.

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2008 are summarized below.

(Thousands of Dollars)	Level 1	Level 2	Level 3	Total
Energy derivative liabilities <sup>(1)</sup>	\$ -	\$ -	\$ 14,616 <sup>(2)</sup>	\$ 14,616 <sup>(2)</sup>

- (1) A significant portion of the energy derivative contracts categorized in Level 3 is valued using either an industry acceptable model or an internally developed model with observable inputs. The models also include some less readily observable inputs resulting in the classification of the respective contract as Level 3. See Note H.
- (2) Includes derivative liabilities of \$13 million with Con Edison's competitive energy businesses. See Note J.

The table listed below provides a reconciliation of the beginning and ending net balances for assets and liabilities measured at fair value for the years ended December 31, 2009 and 2008 and classified as Level 3 in the fair value hierarchy:

For the Year Ended December 31, 2009						
(Thousands of	Beginning Balance as of January 1, 2009	Total Gains/(Losses) - Realized and Unrealized		Purchases,	Transfer	Ending Balance as of December 31, 2009
		Included in Earnings	Included in Regulatory Assets and Liabilities			

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Energy derivatives:	\$ (14,616)	\$ (37,469)	\$3,947	\$ 37,469	\$ -	\$(10,669)
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(Thousands of	For the Year Ended December 31, 2008					Ending Balance as of December 31, 2008
	Beginning Balance as of January 1, 2008	Total Gains/(Losses) - Realized and Unrealized		Purchases,	Transfer	
		Included in Earnings	Included in Regulatory Assets and Liabilities			
Energy derivatives:	\$2,747	\$(84)	\$(17,363)	\$84	-	\$(14,616)

Realized gains and losses on Level 3 energy derivative assets and liabilities are reported as part of purchased power costs. The Company generally recovers these costs in accordance with rate provisions approved by the applicable state public utilities commissions. See Note A. Unrealized gains and losses for energy derivatives are generally deferred on the consolidated balance sheet in accordance with the accounting rules for regulated operations.

## Note K – New Financial Accounting Standards

In December 2009, the Financial Accounting Standards Board (FASB) issued new guidance for consolidations through Accounting Standards Update (ASU) No. 2009-17, “*Consolidations (Topic 810): Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities*.” The amendments in this update to the Accounting Standards Codification (ASC) are the result of Statement of Financial Accounting Standards (SFAS) No. 167, “*Amendments to FASB Interpretation No. 46(R)*.” The update amends FASB Interpretation No. 46(R), “*Consolidation of Variable Interest Entities (revised December 2003)—an interpretation of ARB No. 51*,” to improve financial reporting by entities involved with VIEs and to address the impact of pending amendments to derecognition guidance. Under this new guidance, an entity must perform qualitative assessments of power and economics when determining the primary beneficiary of VIEs. This update is effective as of the beginning of the first fiscal year that begins after November 15, 2009. The application of this guidance does not have a material impact on the Company’s financial position, results of operations and liquidity.

In December 2009, the FASB issued new guidance for transfers of financial assets through ASU No. 2009-16, “*Transfers and Servicing (Topic 860): Accounting for Transfers of Financial Assets*.” The amendments in this update to the ASC are the result of SFAS No. 166, “*Accounting for Transfers of Financial Assets, an*



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amendment of FASB Statement No. 140." This update amends FASB Statement No. 140, "Accounting for Transfers of Financial Assets," by eliminating the concept of a Qualified Special Purpose Entity, modifying the transferability constraints, requiring consideration of all arrangements made in connection with a transfer, clarifying the legal isolation analysis, providing guidance on when a portion of a financial asset can be derecognized, and modifying the initial measurement of a beneficial interest retained by a transferor. This update is effective as of the beginning of the first fiscal year that begins after November 15, 2009. The application of this guidance does not have a material impact on the Company's financial position, results of operations and liquidity.

In August 2009, the FASB issued ASU No. 2009-05, "Fair Value Measurements and Disclosures (Topic 820)—Measuring Liabilities at Fair Value." The amendments in this update attempt to reduce ambiguity in financial reporting when measuring the fair value of liabilities through providing clarification on valuation techniques for circumstances in which a quoted price in an active market for the identical liability is not available. The guidance requires companies to measure fair value using valuation techniques provided within the update or those consistent with Topic 820. The update was effective for the first interim or annual reporting period beginning after the update's issuance. The Company currently records certain derivative liabilities at fair value using valuation techniques consistent with Topic 820. As such, the adoption of this guidance did not have a material impact on the Company's financial position, results of operations or liquidity.

In June 2009, the FASB issued ASU No. 2009-01, "Generally Accepted Accounting Principles (Topic 105)." The amendments in this update to the ASC are the result of Statement No. 168, "The FASB Accounting Standards Codification<sup>TM</sup> and the Hierarchy of Generally Accepted Accounting Principles." This update replaces FASB Statement No. 162, "The Hierarchy of Generally Accepted Accounting Principles" and establishes the FASB Accounting Standards Codification<sup>TM</sup> as the source of authoritative U.S. generally accepted accounting principles recognized by the FASB to be applied to by nongovernmental entities. This update is effective for interim and annual periods ending after September 15, 2009. The adoption of this Statement did not have a material impact on the Company's financial position, results of operations or liquidity.

In May 2009, the FASB issued FAS No. 165, "Subsequent Events." This Standard has been codified in ASC Topic 855 - "Subsequent Events." This new guidance establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The guidance specifies the period after the balance sheet date during which

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management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. This guidance is effective for interim and annual periods ending after June 15, 2009. The application of this guidance did not have a material impact on the Company's financial position, results of operations and liquidity.

In April 2009, the FASB issued FASB Staff Position (FSP) FAS 157-4 "*Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That are Not Orderly.*" This FSP has been incorporated within the Codification in ASC Topic 820, "*Fair Value Measurements and Disclosures.*" This FSP provides additional guidance on factors that should be considered in estimating fair value when there has been a significant decrease in market activity for a financial asset or liability. Additionally, this FSP requires an entity to disclose the inputs and valuation techniques used to measure fair value and discussion of changes in valuation techniques and related inputs, if any, during the period. This FSP applies to all fair value measurements when appropriate and is effective for interim and annual periods ending after June 15, 2009. The application of this FSP did not have a material impact on the Company's financial position, results of operations and liquidity.

In April 2009, the FASB issued FSP FAS 115-2 and FAS 124-2, "*Recognition and Presentation of Other-Than-Temporary Impairments.*" This FSP has been incorporated within the Codification in ASC Topic 320, "*Investments—Debt and Equity Securities.*" This FSP amends the method for determining whether an other-than-temporary impairment exists for debt securities and the amount of an impairment charge to be recorded in earnings. Under the FSP, an entity must assess the likelihood of selling the security prior to recovering its cost basis to determine whether any other-than-temporary impairment exists. This FSP is effective for interim and annual periods ending after June 15, 2009. The application of this FSP did not have a material impact on the Company's financial position, results of operations and liquidity.

In April 2009, the FASB issued FSP FAS 107-1 and Accounting Principles Board (APB) 28-1 "*Interim Disclosures about Fair Value of Financial Instruments.*" This FSP has been incorporated within the Codification in ASC Topic 825, "*Financial Instruments,*" and applies to all financial instruments within the scope of FASB Statement No. 107, "*Disclosures about Fair Value of Financial Instruments.*" This FSP requires entities to disclose the methods and significant assumptions used to estimate the fair value of financial instruments, in both interim financial statements as well as annual financial statements. This FSP is

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effective for interim and annual periods ending after June 15, 2009. The application of this FSP did not have a material impact on the Company's financial position, results of operations and liquidity.

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	250,804,370	250,804,370
4	Property Under Capital Leases		
5	Plant Purchased or Sold		
6	Completed Construction not Classified		
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	250,804,370	250,804,370
9	Leased to Others		
10	Held for Future Use	2,254,741	2,254,741
11	Construction Work in Progress	3,141,756	3,141,756
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	256,200,867	256,200,867
14	Accum Prov for Depr, Amort, & Depl	62,003,360	62,003,360
15	Net Utility Plant (13 less 14)	194,197,507	194,197,507
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	62,003,360	62,003,360
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant		
22	Total In Service (18 thru 21)	62,003,360	62,003,360
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	62,003,360	62,003,360

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
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Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
					5
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**ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)**

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	5,636	
3	(302) Franchises and Consents	442	
4	(303) Miscellaneous Intangible Plant	1,176,561	
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	1,182,639	
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)		
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights		
38	(341) Structures and Improvements		
39	(342) Fuel Holders, Products, and Accessories		
40	(343) Prime Movers		
41	(344) Generators		
42	(345) Accessory Electric Equipment		
43	(346) Misc. Power Plant Equipment		
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)		
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)		

Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			5,636	2
			442	3
			1,176,561	4
			1,182,639	5
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	1,828,646	
49	(352) Structures and Improvements	1,927,072	
50	(353) Station Equipment	13,722,759	299,393
51	(354) Towers and Fixtures	637,072	
52	(355) Poles and Fixtures	3,431,187	
53	(356) Overhead Conductors and Devices	3,735,782	
54	(357) Underground Conduit	1,116,729	
55	(358) Underground Conductors and Devices	1,073,009	
56	(359) Roads and Trails	76,751	
57	(359.1) Asset Retirement Costs for Transmission Plant		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	27,549,007	299,393
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	848,867	
61	(361) Structures and Improvements	3,382,679	213,259
62	(362) Station Equipment	37,710,669	1,573,985
63	(363) Storage Battery Equipment		
64	(364) Poles, Towers, and Fixtures	27,724,907	2,251,777
65	(365) Overhead Conductors and Devices	35,052,624	2,328,553
66	(366) Underground Conduit	13,211,941	312,827
67	(367) Underground Conductors and Devices	36,415,980	1,643,413
68	(368) Line Transformers	25,660,685	1,246,998
69	(369) Services	17,059,432	344,336
70	(370) Meters	7,308,195	390,512
71	(371) Installations on Customer Premises	549,666	40,075
72	(372) Leased Property on Customer Premises		
73	(373) Street Lighting and Signal Systems	3,580,278	74,397
74	(374) Asset Retirement Costs for Distribution Plant		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	208,505,923	10,420,132
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT		
77	(380) Land and Land Rights		
78	(381) Structures and Improvements		
79	(382) Computer Hardware		
80	(383) Computer Software		
81	(384) Communication Equipment		
82	(385) Miscellaneous Regional Transmission and Market Operation Plant		
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper		
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)		
85	6. GENERAL PLANT		
86	(389) Land and Land Rights	154,415	
87	(390) Structures and Improvements	461,964	
88	(391) Office Furniture and Equipment	122,446	1,819
89	(392) Transportation Equipment		
90	(393) Stores Equipment	4,445	
91	(394) Tools, Shop and Garage Equipment	142,274	6,175
92	(395) Laboratory Equipment	26,286	
93	(396) Power Operated Equipment		
94	(397) Communication Equipment	2,306,038	388,142
95	(398) Miscellaneous Equipment	28,823	
96	SUBTOTAL (Enter Total of lines 86 thru 95)	3,246,691	396,136
97	(399) Other Tangible Property		
98	(399.1) Asset Retirement Costs for General Plant		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	3,246,691	396,136
100	TOTAL (Accounts 101 and 106)	240,484,260	11,115,661
101	(102) Electric Plant Purchased (See Instr. 8)		
102	(Less) (102) Electric Plant Sold (See Instr. 8)		
103	(103) Experimental Plant Unclassified		
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	240,484,260	11,115,661



ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				47
			1,828,646	48
30,042			1,897,030	49
133,646	45,520		13,934,026	50
			637,072	51
			3,431,187	52
			3,735,782	53
			1,116,729	54
			1,073,009	55
			76,751	56
				57
163,688	45,520		27,730,232	58
				59
			848,867	60
8,972			3,586,966	61
563,068	6,149		38,727,735	62
				63
208,670			29,768,014	64
149,514			37,231,663	65
1,353			13,523,415	66
73,781			37,985,612	67
254,637	828,529		27,481,575	68
14,068			17,389,700	69
186,739			7,511,968	70
7,001			582,740	71
				72
10,969			3,643,706	73
				74
1,478,772	834,678		218,281,961	75
				76
				77
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				81
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				83
				84
				85
			154,415	86
			461,964	87
			124,265	88
				89
			4,445	90
			148,449	91
			26,286	92
				93
33,289			2,660,891	94
			28,823	95
33,289			3,609,538	96
				97
				98
33,289			3,609,538	99
1,675,749	880,198		250,804,370	100
				101
				102
				103
1,675,749	880,198		250,804,370	104

ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)	
1	Land and Rights:				
2	Land and Rights:				
3	Easement for future distribution from Wyckoff	01/01/1975	2014	41,660	
4	4,002 Acres in Wyckoff for future Wyckoff Substation	01/01/1975	2014	167,049	
5	5.5 Acres for the future Summit Ave Substation	12/31/2009	2016	2,046,032	
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21	Other Property:				
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46					
47	Total				2,254,741

**CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Truman Drive	107,496
2	Line 652 upgrade	108,491
3	U/G rebuild projects	127,974
4	Allendale exits	610,082
5	Distribution automation	1,052,640
6	Interstate shopping center	125,607
7	Franklin Lakes exits	586,045
8	Minor projects: 69 items under \$100,000	423,421
9		
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43	TOTAL	3,141,756

**ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)**

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

**Section A. Balances and Changes During Year**

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	61,192,008	61,192,008		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	3,424,529	3,424,529		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts	9,012	9,012		
8	Other Accounts (Specify, details in footnote):	47,953	47,953		
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	3,481,494	3,481,494		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	1,741,663	1,741,663		
13	Cost of Removal	1,050,867	1,050,867		
14	Salvage (Credit)	77,563	77,563		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	2,714,967	2,714,967		
16	Other Debit or Cr. Items (Describe, details in footnote):	44,825	44,825		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	62,003,360	62,003,360		

**Section B. Balances at End of Year According to Functional Classification**

20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production				
25	Transmission	5,891,410	5,891,410		
26	Distribution	53,881,873	53,881,873		
27	Regional Transmission and Market Operation				
28	General	2,230,077	2,230,077		
29	TOTAL (Enter Total of lines 20 thru 28)	62,003,360	62,003,360		

Name of Respondent Rockland Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 17 Column: a

**Accumulated Provision for Depreciation of Electric Utility Plant**

(A) Other Accounts (Detail of Amount on Line 9):

(404) Amortization of Limited Term Electric Plant

Amortization expense on Saddle River \$ 273

(405) Amortization of Other Plant – Capitalized Software 0

Amortization expense on computer software 47,680

(421) Miscellaneous Non–Operating Income

Depreciation expense on Plant–Held–for–Future Use 0

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\$47,953

(B) Other Debit or Credit Items (Detail of Amount on Line 17):

Reserve related to intercompany sales of utility equipment. \$44,825

**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)**

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
  - (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
  - (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Rockland Electric Company Securitization, LLC	7/05		231,500
2				
3				
4				
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42	Total Cost of Account 123.1 \$	0	TOTAL	231,500

**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)**

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues form investments, including such revenues form securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
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**MATERIALS AND SUPPLIES**

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.

2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)	2,072,202	2,026,476	Electric
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	2,072,202	2,026,476	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)			
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	2,072,202	2,026,476	



Name of Respondent Rockland Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report End of <u>2009/Q4</u>
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**OTHER REGULATORY ASSETS (Account 182.3)**

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year  (b)	Debits  (c)	CREDITS		Balance at end of Current Quarter/Year  (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)	
1	Plant in Service - Electric SFAS 109	13,489,443	3,158,276		2,627,929	14,019,790
2	CIAC - Electric SFAS 109	182,656	7,323		6,198	183,781
3	Other Assets Electric - SFAS 109	357,683	237,765		241,871	353,577
4	Pension Costs May - July 2003 Defer SFAS 87	257,746			114,555	143,191
5	Pension Costs May - July 2003 Defer SFAS 106	57,656			25,625	32,031
6	Post Employmnet Benefits - Electric SFAS 106	5,598,178			1,367,628	4,230,550
7	Storm Reserve	1,059,252	1,194,374		1,082,931	1,170,695
8	NJ Universal Service Fund	384,207	3,355,440		3,396,310	343,337
9	NJ Audit of Competitive Services - Liberty					
10	NJ Audit of Competitive Services	18,216			8,097	10,119
11	Con Ed Merger Cost to Achieve - External	121,261			121,261	
12	Current Electric DSM Conservation Spending	523,921	13,841		32,892	504,870
13	DSM Bidding Program	3,153,059	581,415		2,668,677	1,065,797
14	System Benefit Charges	( 1)				-1
15	Unrealized Hedging Losses	8,107,134	158,873,586		157,885,979	9,094,741
16	NJ Retail Access Cuustomer Programs	2,016			2,016	
17	RECO Defer Electric Rate Cases Exp. - 2002	( 98,828)	315,064		67,187	149,049
18	RECO 2002 Defer Filing-- Larkin Audit Fees	402,724	100,937		5,027	498,634
19	Ramapo Property Tax Over Refunds	7,219			3,209	4,010
20	Management Audit Expenditures - Electric	16,522	763,202		293,544	486,180
21	1996 Electric Revenue Margin Recon.	4,517			2,007	2,510
22	Rockland Electric BGS/ECA Interest	183,892	141,628		127,189	198,331
23	Deferred TBC - Tax	24,031,071			1,962,468	22,068,603
24	Deferred Electric Rate Case Expenses	315,064			315,064	
25	Unrealized Hedging Losses LT	6,633,270	69,110,508		73,724,068	2,019,710
26	IRS Audit Recoveries - Electric	39,678				39,678
27	DSM Plan Preparation		18,502			18,502
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<b>44</b>	<b>TOTAL :</b>	64,847,556	237,871,861		246,081,732	56,637,685

MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Miscellaneous Deferred Fuel	-175,248	5,423,154	555	4,246,197	1,001,709
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47	Misc. Work in Progress	366,330				556,788
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	191,082				1,558,497

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Supplemental Pension	2,406,800	2,416,900
3	FASB 109	2,346,088	2,294,663
4	Contribution in Aid of Construction	1,604,924	1,543,812
5	Unallowable Book Pension Expense	261,700	263,800
6	Post Employment Benefit FASB 106	2,401,486	3,516,700
7	Other - See Footnote	303,270	626,670
8	TOTAL Electric (Enter Total of lines 2 thru 7)	9,324,268	10,662,545
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	9,324,268	10,662,545

Notes

Name of Respondent Rockland Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

**Schedule Page: 234 Line No.: 7 Column: a**

**Accumulated Deferred Income Tax (Account 190)**

	<b>Beginning Balance</b>	<b>Ending Balance</b>
Non-deductible	-	-13,000.00
Regulatory reserve	67,500	62,800
Revenue subject to refund	249,200	249,200
Deferred revenue margin	37,700	37,000
FIT SFAS 90	270	270
Stock appreciation rights	227,500	275,900
Storm damage reserve	-370,700	8,300
Reserve for medical insurance	94,400	-8,700
Refundable CIAC	-	16,400
Property tax refund	-2,600	-1,500
	<b>303,270</b>	<b>626,670</b>

CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	201 Common Stock	150,000	100.00	
2				
3				
4				
5				
6				
7				
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42				

CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
Shares (e)	Amount (f)	AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
		Shares (g)	Cost (h)	Shares (i)	Amount (j)	
112,000		11,200,000				1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
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						42

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	7,960,404
2		
3		
4	Taxable Income Not Reported on Books	
5		4,273,160
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		16,801,722
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		161,528
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		23,673,066
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	5,200,691
28	Show Computation of Tax:	
29		
30		
31		
32		
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43		
44		

Name of Respondent Rockland Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 29 Column: a

ROCKLAND ELECTRIC COMPANY  
YEAR ENDED DECEMBER 31, 2009

**RECONCILIATION OF REPORTED NET INCOME  
WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

<b>NET INCOME FOR THE YEAR</b>	<b><u>Original</u></b>
	7,960,404
<b><u>ADD: TAXABLE INCOME NOT REPORTED ON BOOKS:</u></b>	
FEDERAL INCOME TAX EXPENSE	3,850,160
CONTRIBUTIONS IN AID OF CONSTRUCTION	297,471
AVOIDED INTEREST CAPITALIZED	125,529
	4,273,150
<b><u>ADD: DEDUCTIONS PER BOOKS NOT DEDUCTED FOR RETURN:</u></b>	
VARIOUS AMORTIZATION'S:	
REVENUE SUBJECT TO REFUND	0
R & D EXPENDITURES	9,870
AMORTIZATION MERGER COST	121,258
STERLING AMORTIZATION	0
SUPPLEMENTAL PENSION - NONQUALIFIED	(23,646)
UNALLOWABLE BOOK PENSION EXPENSE	8,638,453
POST EMPLOYMENT BENEFITS FASB 106 - CAPITALIZED	6,260,930
NJ AUDIT OF COMPETITIVE SERVICES	8,097
TBC REVENUES COLLECTED	0
TBC TAX - SECURITIZATION	1,962,468
TBC EXPENSE AMORT - SECURITAZATION	2,771,305
NJ CORPORATION BUSINESS TAX DEFERRED ON BOOKS	(235,004)
DEFERRED CONSERVATION EXPENSES	(399,979)
BOND REDEMPTION COST	0
NEW JERSEY SYSTEM RELIABILITY AUDIT	2,007
CIAC - TAX GROSS UP	46,845
RAMAPO PROPERTY TAXES	3,208
MANAGEMENT STUDY AUDIT	(469,656)
UNALLOWABLE OFFICER'S COMPENSATION	60,592
EXCESS OF DIRECT WRITE-OFF OVER BOOK PRIVISION	6,484
RATE CASE COST - 2002	67,187
RESERVE FOR MEDICAL INSURANCE	(294,507)
RESERVE FOR DEFERRED COSTS	(13,445)
WORKMEN'S COMPENSATION	81,454
STOCK APPRECIATION RIGHTS	261,967
RESTRICTED STOCK PROGRAM	(147,640)
START UP COST PJM	0
LOSS ON DISPOSITION OF PROPERTY	(282,731)
GAIN ON MARK TO MARKET OF SEURITIES-SERP	(234,374)
SYSTEMS BENEFITS CHARGE	(1,306,057)



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report 2009/Q4
Rockland Electric Company			
FOOTNOTE DATA			

MISC.	(93,366)	
		16,801,722

**DEDUCT: INCOME PER BOOKS NOT INCLUDED ON RETURN:**

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	161,528	161,528
--	---------	---------

**DEDUCT: EXPENSE PER RETURN NOT CHARGED TO BOOKS:**

EXCESS TAX OVER BOOK DEPRECIATION	5,753,887	
CONTRIBUTIONS CARRY FORWARD	0	
COST OF REMOVAL	1,382,252	
PENSION FUNDING	8,114,247	
GENERAL LIABILITY INSURANCE	0	
STORM DAMAGE RESERVE	(1,082,931)	
DEFERRED FILING - LARKING AUDIT	95,910	
AMORT CONTR. TERM. COST - IPP'S	2,034	
SFAS 90 RES. FOR DISCOUNTING STERLING	0	
MEDICARE REIMBURSEMENT	630,269	
OFFICERS LIFE INS. CASH SURR. VALUE	(3,664)	
CONTRACT TERMINATION COSTS	0	
DECREASE IN DEF FUEL COST	3,457,938	
INTEREST INCOME ON BGS UNDERCOLLECTIONS	14,439	
OPEB FUNDING	3,000,000	
CAPITALIZED OVERHEADS SECTION 263A	2,310,700	
NJ RETAIL ACCESS	(2,016)	
		<u>23,673,066</u>

TAXABLE INCOME OR (LOSS)		5,200,692
--------------------------	--	-----------

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal Taxes					
2	Income - 2009	124,076		1,813,700	1,846,151	-91,625
3	- 2008			3,029,300	3,029,300	
4	FICA			1,645,618	1,645,618	
5	Unemployment			27,928	27,928	
6	Increase in FMV serp sec	-26,486				26,486
7	Fin 48 uncertain income tax	263,000			169,000	
8	Unemployment - NJ			-11,696	-11,696	
9	- NY			86,149	86,149	
10	NJ Tefa Tax		10,813	6,081,078	6,241,281	-18,539
11	NJ Corporation Business Tax	-524,207	207,473	1,169,964	1,360,500	1,183,835
12	NJ UTUA Sales				9,277,500	7,010,256
13	NJ UTUA SALES					
14	Unemployment - PA			28	28	
15	Local					
16	Property Tax Recovered			3,208		3,208
17	Real Property Taxes		43,468	517,031	520,630	
18	IRS Audit Adj					
19						
20						
21						
22						
23						
24						
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27						
28						
29						
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31						
32						
33						
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36						
37						
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40						
41	TOTAL	-163,617	261,754	14,362,308	24,192,389	8,113,621

Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
		1,813,700				2
		3,029,300				3
		1,037,450			608,167	4
		27,928				5
						6
94,000						7
		-11,696				8
		86,149				9
-189,554		6,081,078				10
261,619		1,169,964				11
	2,267,245					12
						13
		28				14
						15
		3,208				16
	47,067	522,137				17
		-3,552,704			3,552,704	18
						19
						20
						21
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						40
166,065	2,314,312	10,206,542			4,160,871	41

Name of Respondent  
Rockland Electric Company

This Report Is:  
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(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	21,172			411.4	13,856	
4	7%				411.4		
5	10%	858,373				74,529	
6							
7							
8	TOTAL	879,545				88,385	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
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48							

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
7,316			3
			4
783,844			5
			6
			7
791,160			8
			9
			10
			11
			12
			13
			14
			15
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			48

Name of Respondent  
Rockland Electric Company

This Report Is:  
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Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1						
2	Neighborhood Fund (A)	4,878	232	20,282	20,324	4,920
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	(A) Contribution to the Rockland					
22	Electric Neighborhood Fund from					
23	employees and customers with					
24	corresponding Company					
25	contributions.					
26						
27						
28						
29						
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41						
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43						
44						
45						
46						
47	TOTAL	4,878		20,282	20,324	4,920

**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	31,537,586	1,975,629	
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	31,537,586	1,975,629	
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	31,537,586	1,975,629	
10	Classification of TOTAL			
11	Federal Income Tax			
12	State Income Tax			
13	Local Income Tax			

NOTES

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
		283 & 182	310,256	283 & 182	634,419	33,837,378	2
							3
							4
			310,256		634,419	33,837,378	5
							6
							7
							8
			310,256		634,419	33,837,378	9
							10
							11
							12
							13

NOTES (Continued)



ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Bondable Stranded Costs	20,113,957	4,049,340	883,400
4	Section 263A	9,209,482	567,000	354,495
5	Fasb 109	5,890,256		
6	Conservation Program	412,404	140,000	
7	NJ Corporation Business Tax	-1,789,008	-60,314	360,522
8	Other - See Footnote	5,449,243	1,112,543	2,122,376
9	TOTAL Electric (Total of lines 3 thru 8)	39,286,334	5,808,569	3,720,793
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	39,286,334	5,808,569	3,720,793
20	Classification of TOTAL			
21	Federal Income Tax			
22	State Income Tax			
23	Local Income Tax			

NOTES

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.  
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
		283/236	676,640	236/283	1,745,962	24,349,219	3
		236/283	3,107,246	236/283	3,294,000	9,608,741	4
		182	420,658	182	623,861	6,093,459	5
						552,404	6
				283	250,600	-1,959,244	7
49,400	139,386		4,171,839		1,818,056	1,995,641	8
49,400	139,386		8,376,383		7,732,479	40,640,220	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
49,400	139,386		8,376,383		7,732,479	40,640,220	19
							20
							21
							22
							23

NOTES (Continued)

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Rockland Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/16/2010	2009/Q4
FOOTNOTE DATA			

**Schedule Page: 276 Line No.: 8 Column: a**

	@ BEGINNING OF YEAR	ACCOUNT 410.1	ACCOUNT 411.1	ACCOU NT 410.2	ACCOUN T 411.2	- AMOUNT	- AMOUNT	@ END OF YEAR
ELECTRIC -----	-	-	-	-	-	-	-	-
COST OF REMOVAL RETAIL ACCESS	509,880 700	483,800 (700)	292,020					701,660 0
ACCUM DEF FIT - SERP	0		-		139,386	66,938	40,452	(165,872)
FIN 48 SSCM - FIT	1,454,000					2,778,000	1,324,000	-
FIN 48 SSCM - SIT	326,000					611,000	285,000	-
FIN 48-SSCM-FEDERAL-CURR ENT	-						54,000	54,000
FIN 48-SSCM-STATE-CURREN T	-						28,000	28,000
RATE CASE COSTS	75,800		23,500					52,300
DEFERRAL AUDIT COSTS	140,900		(33,600)					174,500
NJ SYSTEM RELIABILITY AUDIT	(32,000)		700					(32,700)
R&D EXPENDITURES	10,407		3,356					7,051
ABANDONMENT LOSS - STERLING	1					1		-
MANAGEMENT AUDIT	5,700		(164,400)					170,100
NJ AUDIT OF COMPETITIVE SVCS	(2,700)		2,800					(5,500)
REVENUE TAX DEDUCTION	(344,200)							(344,200)
COMPUTER SOFTWARE CIMS	(3,040)	106						(2,934)
ACCUM DEF FIT-SYSTEM BENEFITS CHARGE	(913,922)	457,120						(456,802)
CONTRACT TERMINATION COST IPP	149,858							149,858
ENVIRONMENTAL RESERVE	21,800							21,800
ACCUM DEFERRED FIT- 4/1/97 STORM COSTS	(48,800)		(51,700)					2,900
BGS/ECA			2,049,700					
UNDERCOLLECTIONS	1,391,771						56,079	(601,850)
BGS/ECA CARRYING CHARGES	64,200			49,400				113,600
NJ CORPORATION BUSINESS TAX	2,740,190	172,217				715,900	17,525	2,214,032
ACCUM DEF SIT - ELECTRIC	-						13,000	13,000
STONE & WEBSTER STUDY	33,700							33,700
	(131,000)							(131,000)
	5,449,244	1,112,543	2,122,376	49,400	139,386	4,171,839	1,818,056	1,995,643

**OTHER REGULATORY LIABILITIES (Account 254)**

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities  (a)	Balance at Beginning of Current Quarter/Year  (b)	DEBITS		Credits  (e)	Balance at End of Current Quarter/Year  (f)
			Account Credited  (c)	Amount  (d)		
1	MSC/BGS Overrecoveries - Billed	2,133,160		4,692,767	2,559,607	
2	MSC/BGS Overrecoveries - Unbilled	6,129,711		5,907,335	5,931,747	6,154,123
3	ECA Overrecoveries - Billed	906,905		96,227		810,678
4	ECA Overrecoveries - Unbilled	343,091				343,091
5	SC7 BGS Overrecoveries - Unbilled	31,612		124,934	219,515	126,193
6	SC7 BGS Overrecoveries - Billed	181,880		181,880		
7	Working Capital Allowance	1,150,840		14,275	830	1,137,395
8	SC7 BGS Overrecoveries - Billed 2006/07	201,737		55,962	256,135	401,910
9	Pensions					
10	RECO SC7 Retail Margin Deferral	108,049		427,079	425,045	106,015
11	Long Term Unrealized Hedging Gains					
12	SC 7 Default Supply	179,332		31,738	99,375	246,969
13	Transformer Installations	787,128				787,128
14	SFAS 109 - Electric	1,991,348		491,068	492,087	1,992,367
15	ITC - SFAS 109 - Electric	354,740		248,812	196,368	302,296
16	Unrealized Hedging Gains	( 1)				-1
17	Unrealized Hedging Gains - Capacity - ST					
18	System benefit Charge	2,524,046		2,524,046		
19	Rmr with SC7 Over Recoveries	322,274		546,796	600,491	375,969
20	Rmr without SC7 Over Recoveries	19,985		12,503	27,233	34,715
21	USF True-up	174,704		75,620	128,230	227,314
22	SBC True-up	2,436,500		1,435,250	76,583	1,077,833
23						
24	Customer refunds	435		78,371	78,880	944
25	RECO CIAC Tax Gross up	2,507			46,845	49,352
26	Unpostable Cash Receipts	( 194)		252	446	
27	Nextera Energy Power Marketing			16,707	13,266	-3,441
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	<b>TOTAL</b>	19,979,789		16,961,622	11,152,683	14,170,850

**ELECTRIC OPERATING REVENUES (Account 400)**

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	118,661,609	124,490,815
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	97,951,919	113,517,900
5	Large (or Ind.) (See Instr. 4)	3,880,535	5,491,312
6	(444) Public Street and Highway Lighting	1,216,001	1,265,919
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	221,710,064	244,765,946
11	(447) Sales for Resale		
12	TOTAL Sales of Electricity	221,710,064	244,765,946
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	221,710,064	244,765,946
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues	29,623	9,003
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	203,707	202,789
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	-5,312,482	-7,255,575
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	-5,079,152	-7,043,783
27	TOTAL Electric Operating Revenues	216,630,912	237,722,163

Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)  
 7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.  
 8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.  
 9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
716,895	758,015	63,164	63,115	2
				3
827,810	864,138	9,046	9,049	4
36,012	47,051	121	119	5
6,730	6,831	27	27	6
				7
				8
				9
1,587,447	1,676,035	72,358	72,310	10
				11
1,587,447	1,676,035	72,358	72,310	12
				13
1,587,447	1,676,035	72,358	72,310	14

Line 12, column (b) includes \$ -240,123 of unbilled revenues.  
 Line 12, column (d) includes 10,584 MWH relating to unbilled revenues

Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Description of Service (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential	711,684	118,195,975	63,143	11,271	0.1661
2	Time of Day	279	40,530	18	15,500	0.1453
3	Retail Access	135	6,156	3	45,000	0.0456
4	Total Residential	712,098	118,242,661	63,164	11,274	0.1660
5						
6	Commercial					
7	#2 General	549,896	85,327,850	8,152	67,455	0.1552
8	#6 Dawn to Dusk	3,277	520,883	689	4,756	0.1590
9	#7 Time of Day	45,724	4,592,579	22	2,078,364	0.1004
10	Retail Access	223,389	8,175,592	183	1,220,705	0.0366
11	Total Commercial	822,286	98,616,904	9,046	90,901	0.1199
12						
13						
14	Industrial					
15	#2 General	26,624	3,406,411	116	229,517	0.1279
16	Power Pick	2,310	254,073	2	1,155,000	0.1100
17	Municipal Street Lighting	6,815	214,166	3	2,271,667	0.0314
18	Total Industrial	35,749	3,874,650	121	295,446	0.1084
19						
20	Public Street & Highway Light					
21	Street Lighting	6,730	1,216,002	27	249,259	0.1807
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	1,576,863	221,950,187	72,358	21,793	0.1408
42	Total Unbilled Rev.(See Instr. 6)	10,584	-240,123	0	0	-0.0227
43	TOTAL	1,587,447	221,710,064	72,358	21,939	0.1397



**ELECTRIC OPERATION AND MAINTENANCE EXPENSES**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering		
5	(501) Fuel		
6	(502) Steam Expenses		
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses		
10	(506) Miscellaneous Steam Power Expenses		
11	(507) Rents		
12	(509) Allowances		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)		
14	Maintenance		
15	(510) Maintenance Supervision and Engineering		
16	(511) Maintenance of Structures		
17	(512) Maintenance of Boiler Plant		
18	(513) Maintenance of Electric Plant		
19	(514) Maintenance of Miscellaneous Steam Plant		
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)		
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)		
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering		
63	(547) Fuel		
64	(548) Generation Expenses		
65	(549) Miscellaneous Other Power Generation Expenses		
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)		
68	Maintenance		
69	(551) Maintenance Supervision and Engineering		
70	(552) Maintenance of Structures		
71	(553) Maintenance of Generating and Electric Plant		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)		
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	145,592,586	162,078,354
77	(556) System Control and Load Dispatching		
78	(557) Other Expenses		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	145,592,586	162,078,354
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	145,592,586	162,078,354
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	306,438	299,158
84	(561) Load Dispatching		
85	(561.1) Load Dispatch-Reliability	24,610	19,630
86	(561.2) Load Dispatch-Monitor and Operate Transmission System		
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services		
89	(561.5) Reliability, Planning and Standards Development		
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services		
93	(562) Station Expenses	356,691	448,769
94	(563) Overhead Lines Expenses	62,104	65,743
95	(564) Underground Lines Expenses		
96	(565) Transmission of Electricity by Others		
97	(566) Miscellaneous Transmission Expenses	41,748	
98	(567) Rents	109,680	108,275
99	TOTAL Operation (Enter Total of lines 83 thru 98)	901,271	941,575
100	Maintenance		
101	(568) Maintenance Supervision and Engineering		
102	(569) Maintenance of Structures		
103	(569.1) Maintenance of Computer Hardware		
104	(569.2) Maintenance of Computer Software		
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	18,061	18,360
108	(571) Maintenance of Overhead Lines	20,671	13,566
109	(572) Maintenance of Underground Lines	188,599	980,570
110	(573) Maintenance of Miscellaneous Transmission Plant	201,784	190,272
111	TOTAL Maintenance (Total of lines 101 thru 110)	429,115	1,202,768
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	1,330,386	2,144,343

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	<b>3. REGIONAL MARKET EXPENSES</b>		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)		
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)		
132	<b>4. DISTRIBUTION EXPENSES</b>		
133	Operation		
134	(580) Operation Supervision and Engineering	1,033,301	967,194
135	(581) Load Dispatching		
136	(582) Station Expenses	389,512	477,933
137	(583) Overhead Line Expenses	10,765	-178,296
138	(584) Underground Line Expenses	72,912	63,494
139	(585) Street Lighting and Signal System Expenses		
140	(586) Meter Expenses	227,376	191,934
141	(587) Customer Installations Expenses	2,574	845
142	(588) Miscellaneous Expenses	348,153	439,562
143	(589) Rents	7,059	4,248
144	TOTAL Operation (Enter Total of lines 134 thru 143)	2,091,652	1,966,914
145	Maintenance		
146	(590) Maintenance Supervision and Engineering		
147	(591) Maintenance of Structures		
148	(592) Maintenance of Station Equipment	10,172	23,226
149	(593) Maintenance of Overhead Lines	4,696,118	3,331,189
150	(594) Maintenance of Underground Lines	391,550	383,907
151	(595) Maintenance of Line Transformers		
152	(596) Maintenance of Street Lighting and Signal Systems	339,669	232,296
153	(597) Maintenance of Meters	7,342	12,096
154	(598) Maintenance of Miscellaneous Distribution Plant	1,160,928	1,343,184
155	TOTAL Maintenance (Total of lines 146 thru 154)	6,605,779	5,325,898
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	8,697,431	7,292,812
157	<b>5. CUSTOMER ACCOUNTS EXPENSES</b>		
158	Operation		
159	(901) Supervision	2,854	3,028
160	(902) Meter Reading Expenses	824,120	817,644
161	(903) Customer Records and Collection Expenses	2,453,372	2,484,113
162	(904) Uncollectible Accounts	472,727	609,996
163	(905) Miscellaneous Customer Accounts Expenses	2,086,395	1,464,198
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	5,839,468	5,378,979

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	<b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>		
166	Operation		
167	(907) Supervision	164,877	152,684
168	(908) Customer Assistance Expenses	8,243,333	7,600,881
169	(909) Informational and Instructional Expenses		
170	(910) Miscellaneous Customer Service and Informational Expenses	77,281	75,549
171	<b>TOTAL Customer Service and Information Expenses (Total 167 thru 170)</b>	<b>8,485,491</b>	<b>7,829,114</b>
172	<b>7. SALES EXPENSES</b>		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses	8,062	
177	(916) Miscellaneous Sales Expenses		
178	<b>TOTAL Sales Expenses (Enter Total of lines 174 thru 177)</b>	<b>8,062</b>	
179	<b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>		
180	Operation		
181	(920) Administrative and General Salaries	2,619,876	2,167,317
182	(921) Office Supplies and Expenses	1,039,028	1,193,065
183	(Less) (922) Administrative Expenses Transferred-Credit	-3,568,470	-3,422,165
184	(923) Outside Services Employed	517,066	497,234
185	(924) Property Insurance	63,852	50,285
186	(925) Injuries and Damages	448,852	728,972
187	(926) Employee Pensions and Benefits	14,173,032	14,353,366
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	600,912	491,244
190	(929) (Less) Duplicate Charges-Cr.	140,060	166,529
191	(930.1) General Advertising Expenses	416,635	496,002
192	(930.2) Miscellaneous General Expenses	-434,575	426,206
193	(931) Rents	-105,384	239,307
194	<b>TOTAL Operation (Enter Total of lines 181 thru 193)</b>	<b>22,767,704</b>	<b>23,898,634</b>
195	Maintenance		
196	(935) Maintenance of General Plant	180,748	188,686
197	<b>TOTAL Administrative &amp; General Expenses (Total of lines 194 and 196)</b>	<b>22,948,452</b>	<b>24,087,320</b>
198	<b>TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)</b>	<b>192,901,876</b>	<b>208,810,922</b>

PURCHASED POWER (Account 555)  
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Orange and Rockland Utilities, Inc.	RQ				
2	Con Edison Energy	SF				
3	Constellation	SF				
4	Morgan Stanley Capital Group	SF				
5	PSE&G Energy	SF				
6	Exelon	SF				
7	PJM Power Pool	LU				
8	Deferred Fuel Cost					
9	Transmission enhancement					
10	Nextera					
11	Conectiv					
12						
13						
14						
	<b>Total</b>					

PURCHASED POWER(Account 555), (Continued)  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
	180,877			16,826,168		16,826,168	1
				36,652,062		36,652,062	2
				6,978,648		6,978,648	3
				31,267,195		31,267,195	4
				19,847		19,847	5
				37,172		37,172	6
	1,457,750			34,085,698		34,085,698	7
				-3,457,938		-3,457,938	8
				1,189,444		1,189,444	9
				1,822,667		1,822,667	10
				20,171,622		20,171,622	11
							12
							13
							14
	1,638,627			145,592,585		145,592,585	

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	
6	Adjustments	-858,309
7	Restricted stock program	261,967
8	Company stock program	38,216
9	Costs to achieve merger	121,259
10		
11		
12		
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46	TOTAL	-436,867

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)  
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.  
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.  
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.  
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
- If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			47,680		47,680
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant					
7	Transmission Plant	392,674				392,674
8	Distribution Plant	2,890,200				2,890,200
9	Regional Transmission and Market Operation					
10	General Plant	141,655	273			141,928
11	Common Plant-Electric					
12	TOTAL	3,424,529	273	47,680		3,472,482

B. Basis for Amortization Charges

Account 404 - General Plant - Saddle River - Remaining life amortization  
Account 405 - Intangible Plant - Computer Software - Amortize at a rate of 20% per year.



DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13	352	1,912	50.00		2.00	h2.0	41.00
14	353	13,757	35.00		2.86	h1.5	25.00
15	354	637	60.00		1.67	h3.0	23.00
16	355	3,431	50.00		2.00	h3.0	37.00
17	356	3,736	60.00		1.67	h2.0	44.00
18	357	1,117	50.00		2.00	h2.0	45.00
19	358	1,073	30.00		3.33	h3.5	23.00
20	359	77	60.00		1.67	h3.0	32.00
21	SUBTOTAL	25,740					
22							
23							
24	361	3,406	65.00		1.54	h3.0	53.00
25	362	38,187	45.00		2.22	h1.5	36.00
26	364	28,512	50.00		2.00	h1.5	40.00
27	365	35,258	55.00		1.82	h1.5	44.00
28	365.1	775	30.00		3.33	h1.5	21.00
29	366	13,349	55.00		1.82	h2.0	42.00
30	367	37,465	55.00		1.82	h1.5	46.00
31	368	26,377	40.00		2.50	h1.0	32.00
32	369.1	4,985	50.00		2.00	h2.0	32.00
33	369.2	12,208	50.00		2.00	h2.5	36.00
34	370.1	4,074	50.00		2.00	h1.0	43.00
35	370.2	2,827	50.00		2.00	h1.0	44.00
36	370.3	490	50.00		2.00		43.00
37	370.6						
38	371	558	40.00		2.50	h2.0	33.00
39	373	3,613	35.00		2.86	h1.0	25.00
40	SUBTOTAL	212,084					
41							
42							
43	390	462	55.00		1.82	h1.5	43.00
44	391.1	49	25.00		4.00	h1.0	16.00
45	391.2	2	20.00		5.00	h0.5	15.00
46	391.7	72	8.00		12.50	h1.5	6.00
47	393	5	25.00		4.00	h1.5	15.00
48	394	50	20.00		5.00	h1.5	15.00
49	394.2	95	30.00		3.33	h2.0	18.00
50	395	26	30.00		3.33	h1.5	24.00

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	397.0	2,136	20.00		5.00	h1.5	16.00
13	397.1	187	8.00		12.50	h1.5	4.00
14	397.2	20	20.00		5.00	h1.5	15.00
15	398	29	25.00		4.00	h1.5	17.00
16	SUBTOTAL	3,133					
17							
18	303	1,177	5.00		20.00	amort	
19	TOTAL	242,134					
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21							
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Name of Respondent Rockland Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

**Schedule Page: 336.1 Line No.: 22 Column: b**

Account  
No.

Type of Plant Included in Subaccounts Used (Listed in the Order Presented)

- 365.1 Capacitors
- 369.1 Overhead Services
- 369.2 Underground Services
- 370.1 Meter purchases
- 370.2 Meter installations
- 370.6 Surge protectors
- 391.1 Electric Plant in Service – General Plant – Furniture
- 391.2 Electric Plant in Service – General Plant – Machines
- 392.2 Electric Plant in Service – General Plant – Light trucks
- 392.3 Electric Plant in Service – General Plant – Heavy trucks
- 392.4 Electric Plant in Service – General Plant – Trailers
- 394.0 Electric Plant in Service – General Plant – All other
- 394.2 Electric Plant in Service – General Plant – Garage equipment
- 397.0 Electric Plant in Service – General Plant – All other
- 397.1 Electric Plant in Service – General Plant – Telephone system computer
- 397.2 Electric Plant in Service – General Plant – Telephone system equipment

Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	State Of New Jersey Public Sevice Commission	516,277		516,277	
2	Amortization Of Rate Case Expense		67,187	67,187	
3	NJ System Reliability Study		2,007	2,007	
4	NJ 1993 Management Audit		7,344	7,344	
5	NJ Competitive Service Audit		8,097	8,097	
6					
7					
8					
9					
10					
11					
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46	TOTAL	516,277	84,635	600,912	

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
							1
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**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES**

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).

2. Indicate in column (a) the applicable classification, as shown below:

**Classifications:**

- |   |   |
|---|---|
| <p>A. Electric R, D &amp; D Performed Internally:</p> <p>(1) Generation</p> <p style="padding-left: 20px;">a. hydroelectric</p> <p style="padding-left: 40px;">i. Recreation fish and wildlife</p> <p style="padding-left: 40px;">ii Other hydroelectric</p> <p style="padding-left: 20px;">b. Fossil-fuel steam</p> <p style="padding-left: 20px;">c. Internal combustion or gas turbine</p> <p style="padding-left: 20px;">d. Nuclear</p> <p style="padding-left: 20px;">e. Unconventional generation</p> <p style="padding-left: 20px;">f. Siting and heat rejection</p> <p>(2) Transmission</p> | <p style="padding-left: 40px;">a. Overhead</p> <p style="padding-left: 40px;">b. Underground</p> <p>(3) Distribution</p> <p>(4) Regional Transmission and Market Operation</p> <p>(5) Environment (other than equipment)</p> <p>(6) Other (Classify and include items in excess of \$50,000.)</p> <p>(7) Total Cost Incurred</p> <p>B. Electric, R, D &amp; D Performed Externally:</p> <p>(1) Research Support to the electrical Research Council or the Electric Power Research Institute</p> |
|---|---|

Line No.	Classification (a)	Description (b)
1	A. Electric Utility R&D Internally	
2		
3		R&D Administration (Shared Services)
4		
5		Amortization of expenditures related to
6		cancelled clean coal burning technology project
7		
8		Regulatory Commission Assessment
9		
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Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

- (2) Research Support to Edison Electric Institute
- (3) Research Support to Nuclear Power Groups
- (4) Research Support to Others (Classify)
- (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
					2
172,121		930	172,121		3
					4
					5
9,870		930	9,870	20,563	6
					7
110,698		930	110,698		8
					9
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 31 thru 47)			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	10,715,217		10,715,217
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	3,483,785		3,483,785
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	3,483,785		3,483,785
72	Plant Removal (By Utility Departments)			
73	Electric Plant	392,600		392,600
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	392,600		392,600
77	Other Accounts (Specify, provide details in footnote):			
78	Regulatory Assets	24,850		24,850
79	Storm Damage	97,853		97,853
80				
81				
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	122,703		122,703
96	TOTAL SALARIES AND WAGES	14,714,305		14,714,305

AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)				
3	Net Sales (Account 447)				
4	Transmission Rights	3,635,518	7,343,935	11,059,555	14,738,530
5	Ancillary Services				
6	Other Items (list separately)				
7					
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43					
44					
45					
46	TOTAL	3,635,518	7,343,935	11,059,555	14,738,530

PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

- (1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.
- (2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.
- (3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.
- (4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.
- (5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.
- (6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

		Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch						
2	Reactive Supply and Voltage						
3	Regulation and Frequency Response						
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement						
7	Other						
8	Total (Lines 1 thru 7)						

Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.  
 (2) Report on Column (b) by month the transmission system's peak load.  
 (3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).  
 (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	224	15	1900						
2	February	216	5	1900						
3	March	212	3	1900						
4	Total for Quarter 1	652								
5	April	288	28	1700						
6	May	255	22	1700						
7	June	295	22	1700						
8	Total for Quarter 2	838								
9	July	330	28	1600						
10	August	370	17	1700						
11	September	258	24	1400						
12	Total for Quarter 3	958								
13	October	194	27	1900						
14	November	197	23	1800						
15	December	250	17	1800						
16	Total for Quarter 4	641								
17	Total Year to Date/Year	3,089								

ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	1,588,699
3	Steam		23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	
7	Other		27	Total Energy Losses	49,928
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	1,638,627
9	Net Generation (Enter Total of lines 3 through 8)				
10	Purchases	1,638,627			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	1,638,627			

Name of Respondent Rockland Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/2010	Year/Period of Report End of <u>2009/Q4</u>
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**MONTHLY PEAKS AND OUTPUT**

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	144,628		224	15	1900
30	February	121,350		216	5	1900
31	March	127,001		212	3	1900
32	April	120,325		288	28	1700
33	May	115,268		255	22	1700
34	June	126,190		295	22	1700
35	July	143,633		330	28	1600
36	August	157,904		370	17	1700
37	September	119,259		258	24	1400
38	October	112,993		194	27	1900
39	November	108,480		197	23	1800
40	December	124,344		250	17	1800
41	TOTAL	1,521,375				

**TRANSMISSION LINE STATISTICS**

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	NY/NJ Stateline	South Mahwah	345.00	345.00	Steel Tower	1.87	1.87	2
2	NY/NJ Stateline	South Mahwah	138.00	138.00	Steel Tower	1.97		1
3	South Mahwah	Allendale	138.00	138.00	Underground	3.07		1
4	South Mahwah	Allendale	138.00	138.00	Underground	3.05		1
5	South Mahwah	Darlington	138.00	138.00	Underground	2.37		1
6	South Mahwah	Darlington	138.00	138.00	Underground	2.37		1
7	NY/NJ Stateline	Harings Corner	138.00	138.00	Steel Pole	0.24		1
8	Montvale	NJ/NY Stateline	69.00	69.00	Undreground	0.39		1
9	Montvale	NJ/NY Stateline	69.00	69.00	Undreground	0.39		1
10	Harings Corner	NY/NJ Stateline	69.00	69.00	Wood	1.69		1
11	NY/NJ Stateline	Closter	69.00	69.00	Wood & Steel	2.52		1
12	NY/NJ Stateline	Montvale	69.00	69.00	Wood & Steel		0.15	1
13	South Mahwah	Franklin Lakes	69.00	69.00	Wood Steel	1.46	1.46	2
14	South Mahwah	Franklin Lakes	69.00	69.00	Steel Tower	4.61	4.61	2
15	South Mahwah	Franklin Lakes	69.00	69.00	Steel Tower	0.30	0.30	2
16	Franklin Lakes	Oakland	69.00	69.00	Underground	1.60		1
17	Franklin Lakes	Oakland	69.00	69.00	Underground	1.60		1
18	Closter	Cresskill	69.00	69.00	Wood Steel		2.30	1
19	NY/NJ Stateline	South Mahwah	69.00	69.00	Wood	0.09		1
20	NY/NJ Stateline	South Mahwah	69.00	69.00	Steel Tower		1.97	1
21	South Mahwah	Upper Saddle River	69.00	69.00	Underground	0.70		1
22	South Mahwah	Upper Saddle River	69.00	69.00	Wood & Steel	3.29		1
23	Upple Saddle River	Grand Avenue	69.00	69.00	Wood & Steel	1.97		1
24	Grand Avenue	Montvale	69.00	69.00	Wood & Steel	2.23		1
25	Montvale	Harings Corner	69.00	69.00	Wood & Steel	0.08	3.63	1
26	Montvale	Harings Corner	69.00	69.00	Underground	0.34		1
27	NY/NJ Stateline	Harings Corner	69.00	69.00	Steel Pole		0.17	1
28	NY/NJ Stateline	Harings Corner	69.00	69.00	Wood & Steel	0.09		1
29	NY/NJ Stateline	Closter	69.00	69.00	Wood & Steel		2.52	1
30	Coloster	Cresskill	69.00	69.00	Wood & Steel	2.30		1
31	NY/NJ Stateline	Ringwood	69.00	69.00	Wood & Steel	2.29		1
32	NY/NJ Stateline	Ringwood	69.00	69.00	Wood	1.50		1
33	Ringwood	West Milford	69.00	69.00	Wood	0.48		1
34	Ringwood	West Milford	69.00	69.00	Wood	3.96		1
35	Ringwood	West Milford	69.00	69.00	Steel Tower	0.25		1
36					TOTAL	67.24	23.95	59

Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1590 KCM ACSR								1
1033.5 KCM ACSR								2
2500 kCM Al.								3
2500 kCM Al.								4
2000 kCM Cu.								5
2000 kCM Cu.								6
1592 KCM ACSR								7
750 kCM AL								8
750 kCM AL								9
795 KCM ACSR								10
795 KCM ACSR								11
795 KCM ACSR								12
336.4 kCm ACSR								13
336.4 kCM ACSR								14
795 kCM ACSAR								15
1000 kCM Al.								16
1000 kCM Al.								17
795 kCM ACSR								18
1033.5 KCM ACSR								19
1033.5 KCM ACSR								20
1000 KCM AL								21
795 KCM ACSR								22
795 KCM ACSR								23
795 KCM ACSR								24
795 KCM ACSR								25
2000 KCM CU								26
1590 KCM ACSR								27
795 KCM ACSR								28
795 KCM ACSR								29
795 kCM ACSR								30
795 KCM ACSR								31
795 KCM ACSR								32
795 kCM ACSR								33
336.4 KCM ACSR								34
795 kCM ACSR								35
								36



**TRANSMISSION LINE STATISTICS**

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Ringwood	West Millford	69.00	69.00	Wood	4.44		1
2	Ringwood	West Millford	69.00	69.00	Steel Tower		0.25	1
3	South Mahwah	Ramsey		34.50	Wood	0.08		1
4	South Mahwah	Ramsey		34.50	Wood	0.20		1
5	South Mahwah	Ramsey		34.50	Wood & Steel	0.04		1
6	South Mahwah	Ramsey		34.50	Wood & Steel	1.22		1
7	Harings Corner	West Norwood		69.00	Underground	0.30		1
8	Harings Corner	West Noowood		34.50	Steel Tower	2.34		1
9	Harings Corner	West Norwood		34.50	Wood & Steel	1.06		1
10	Harings Corner	Cresskill	34.50	69.00	Underground	0.26		1
11	Harings Corner	Cresskill	34.50	34.50	Steel Tower		2.34	1
12	Harings Corner	Cresskill	34.50	34.50	Wood & Steel		1.06	1
13	Harings Corner	Cresskill	34.50	34.50	Wood & Steel	2.28		1
14	NY/NJ Stateline	Harings Corner	34.50	34.50	Steel Tower	3.73		1
15	NY/NJ Stateline	Harings Corner	34.50	69.00	Wood & Steel	0.13		1
16	NY/NJ Stateline	Harings Corner	34.50	34.50	Underground	0.77		1
17	Ford	NJ/NY Stateline		34.50	Steel Tower	0.24		1
18	NY/NJ Stateline	NJ/NY Stateline		34.50	Steel Tower	1.08		1
19	Ford	NJ/NY Stateline		34.50	Steel Tower		0.24	1
20	NY/NJ Stateline	NJ/NY Stateline		34.50	Steel Tower		1.08	1
21								
22								
23								
24								
25								
26								
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28								
29								
30								
31								
32								
33								
34								
35								
36					TOTAL	67.24	23.95	59

Name of Respondent  
Rockland Electric Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/16/2010

Year/Period of Report  
End of 2009/Q4

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
336.4 kCM ACSR								1
795 KCM ACSR								2
795 kCm ACSR								3
336.4 kCM ACSR								4
4/0 Cu.								5
250 kCM Cu.								6
2000 kCm Cu.								7
2/0 Cu.								8
4/0 ACSR								9
2000 KCM CU								10
2/0 CU								11
4/0 ACSR								12
4/0 ACSR								13
4/0 CU								14
795 KCM ACSR								15
2000 KCM CU								16
2/0 Cu.								17
2/0 Cu.								18
2/0 Cu.								19
2/0 Cu.								20
								21
								22
								23
								24
								25
								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
								36

**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation  (a)	Character of Substation  (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Allendale, Allendale	Distrib. Unattended	138.00	13.20	
2	Closter, Closter	Distrib. Unattended	69.00	13.20	
3	Cresskill, Cresskill	Distrib. Unattended	69.00	13.20	
4	Franklin Lakes, Franklin Lakes	Distrib. Unattended	69.00	13.20	
5	Grand Avenue, Montvale	Distrib. Unattended	69.00	13.20	
6	Harings Corner, Old Tappan	Distrib. Unattended	69.00	13.20	
7	Harings Corner, Old Tappan	Trans. Unattended	69.00	34.50	
8	Harings Corner, Old Tappan	Trans. Unattended	138.00	69.00	13.20
9	Montvale, Montvale	Distrib. Unattended	69.00	13.20	
10	Oakland, Oakland	Distrib. Unattended	69.00	13.20	
11	Ringwood, Ringwood	Distrib. Unattended	69.00	13.20	
12	South Mahwah 69 KV, Mahwah	Distrib. Unattended	69.00	13.20	
13	South Mahwah 69 KV, Mahwah	Trans. Unattended	138.00	69.00	13.20
14	South Mahwah 138 KV, Mahwah	Distrib. Unattended	138.00	13.20	
15	South Mahwah 345 KV, Mahwah	Trans. Unattended	345.00	138.00	
16	Upper Saddle River, Upper Saddle River	Distrib. Unattended	69.00	13.20	
17	West Milford, West Milford	Distrib. Unattended	69.00	13.20	
18	Darlington, Ramsey	Distrib. Unattended	138.00	13.20	
19					
20					
21					
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
70	2					1
70	2					2
70	2					3
50	2					4
45	2					5
50	2					6
50	1					7
175	1					8
35	1					9
70	2					10
25	1					11
25	1					12
200	1					13
35	1					14
400	1					15
70	2					16
70	2					17
70	2					18
						19
						20
						21
						22
						23
						24
						25
						26
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						40

**TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES**

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	<b>Non-power Goods or Services Provided by Affiliated</b>			
2	Administrative Services	Cecony		7,432,893
3	Administrative Services	CEI		471,632
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	<b>Non-power Goods or Services Provided for Affiliate</b>			
21				
22				
23				
24				
25				
26				
27				
28				
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31				
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Name of Respondent <b>Rockland Electric Company</b>	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/10	Year of Report December 31, 2009
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**INVESTMENT (ACCOUNT 123, 124 AND 136)**

1. Report below investment in Accounts 123, *Investments in Associated Companies*, 124, *Other Investment*, and 136, *Temporary Cash Investments*

2. Provide a subheading for each account and list thereunder the information called for:

(a) Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bond, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investment) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investment included in Account 136, Temporary Cash Investment, also may be grouped by classes.

(b) Investment Advances-Report separately for each person or company the amount of loans or investment advances that are properly includable in Account 123. Include advance subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)	Purchases or Additions During Year
	(a)	(b)	(c)
		(c)	(d)
1			
2	<u>136 - Temporary Cash Investments</u>		
3	Orange and Rockland Utilities, Inc. (Parent)	10,260,077	72,569,795
4	Short-term notes		
5			
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**INVESTMENT (ACCOUNT 123, 124 AND 136) (Continued)**

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advance due from officers directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Sales or Other Dispositions During Year  (e)	Principal Amount or No. of Shares at End of Year  (f)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote, and explain difference)  (g)	Revenue for Year  (h)	Gain or Loss from Investment Disposed of  (i)	Line No.
75,479,371		7,350,501	78,353		1
					2
					3
					4
					5
					6
					7
					8
					9
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**PRELIMINARY SURVEY AND INVESTIGATION CHARGES (Account 183)**

1. Report below particulars (details) concerning the cost of plans, surveys, and investigation made for the purpose of determining the feasibility of project under contemplation. *Investigation Charges, and Account 183.2, Other Preliminary Survey and Investigation Charges.*

2. For gas companies, report separately amount included in Account 183.1 *Preliminary Natural Gas Survey and*

3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description and Purpose of Project (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	None					\$ -
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
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43						
44	<b>TOTAL</b>	\$ -	\$ -		\$ -	\$ -

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**SECURITIES ISSUED OR ASSUMED AND  
SECURITIES REFUNDED OR RETIRED DURING THE YEAR**

<p>1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.</p> <p>2. Provide details showing the full accounting for the total principal amount, par value, or state value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expense, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.</p>	<p>3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or state value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.</p> <p>4. Where the accounting for amount relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Account, cite the Commission authorization for the different accounting and state the accounting method.</p> <p>5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books furnish details of these amounts with amounts relating to refunded securities clearly earmarked.</p>
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None

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**UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (ACCOUNTS 181,225,226)**

<p>1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt details of expense, premium or discount applicable to each class and series of long-term debt.</p>	<p>2. Show premium amounts by enclosing the figures in parentheses. 3. In column (b) show the principal amount of bonds or other long-term debt originally issued. 4. In column (c) show the expense, premium or discount the respect to the amount of bonds or other long-term debt originally issued.</p>
---	---

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	AMORTIZATION PERIOD	
				Date From (d)	Date To (e)
1	181 Unamortized Debt Expense				
2					
4			-		
5		-	-		
6					
7					
8					
9					
11		-	-		
12		-	-		
13					
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**UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Acct. 181,225,226) (Cont.)**

5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Identify separately undisposed amount applicable to issues which were redeemed in prior years

7. Explain any debits and credits other than amortization debited to Account 428, *Amortization of Debt Discount and Expense*, or credited to Account 429, *Amortization of Premium on Debt-Credit*.

Balance at Beginning of Year (f)	Debits During Year (g)	Credit During Year (h)	Balance at End of Year (i)	Line No.
				1
				2
4,665	8,221	12,886	-	4
4,665	8,221	12,886	-	5
				6
				7
				8
				9
-		-	-	11
-	-		-	12
				13
				14
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Name of Respondent <b>Rockland Electric Company</b>	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/10	Year of Report December 31, 2009
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**UNAMORTIZED LOSS AND GAIN OF REACQUIRED DEBT (ACCOUNTS 189,257)**

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.

2. In column (c) show the principal amount of bonds or other long-term debt reacquired.

3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with general Instruction 18 of the Uniform Systems of Accounts

4. Show loss amounts by enclosing the figures in parentheses.

4. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, *Amortization of Loss on Reacquired Debt*, or credited to Account 429.1, *Amortization of Gain on Reacquired Debt-Credit*.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	189 Unamortized Loss					
2						
6			-	-	-	-
7	Total Account 189		-	-	-	-
8						
9						
10	NONE					
11						
12						
13						
14						
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (ACCOUNT 242)**

1. Describe and report the amount of other current and accrued liabilities at the end of year.

2. Minor items (less than \$250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	NRG Energy - RECO Counterparty Deposit	\$ 69,812
2	Budget Billing Overcollections	2,634,804
3	Derivative Instruments Liab. - Short Term Contract	356,878
4	Derivative Instruments Liab. - Short Term Contract CFD	1,349,863
5	Derivative Instruments Liab. - CEE Short Term Contract	7,299,805
6	Derivative Instruments Liab. - CEE Long Term Contract	2,019,711
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
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45	<b>TOTAL</b>	<b>\$ 13,730,873</b>

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**INCOME FROM UTILITY PLANT LEASED TO OTHERS (Account 412 and 413)**

1. Report below the following information with respect to utility property leased to other constituting an operating unit or system.

2. For each lease, show: (1) name of lessee and description and location of the leased property; (2) revenues; (3) operating expenses classified as to operation, maintenance, depreciation, rents, amortization; and (4) net income from lease for year. Arrange amounts so that deductions appear as a

subtraction from revenues, and income as the remainder.

3. Provide a subheading and total for each utility department in addition to a total for all utility departments.

4. Furnish particulars (details) of the method of determining the annual rental for the property.

5. Designate with an asterisk associated companies.

None

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**CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES**

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, or organization of

any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 *Expenditures for Certain Civic, Political and Related Activities*.

- (a) Name of person or organization rendering services
- (b) Total charges for the year

2. Designate associated companies with an asterisk in column (b).

Line No.	Description (a)	(b)	Amount (in dollars) (c)
1	N/A		
2			
3			
4			
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7			
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Name of Respondent <b>Rockland Electric Company</b>	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report: (Mo, Da, Yr) 04/30/10	Year of Report December 31, 2009
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**UNDERGROUND TRANSMISSION SYSTEMS AND UNDERGROUND DISTRIBUTION SYSTEMS  
CONDUIT, UNDERGROUND CABLE, AND SUBMARINE CABLE (Distribution System)**

- |  |  |
|--|--|
| <p>1. Report below the information called for concerning conduit, underground cable, and submarine cable at end of year.</p> <p>2. Show separately the underground distribution system plant serving each large metropolitan area. Report in total by operating divisions the underground distribution systems not required to be reported separately.</p> <p>3. Designate underground systems, or important portions thereof, leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any underground system</p> | <p>operated under lease, give name of lessor, date and period of lease, and annual rent. For any system operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.</p> |
|--|--|

Line No.	Designation of underground distribution system (a) {1}	Miles of Conduit Bank (all sizes and types) (b) {2}	UNDERGROUND CABLE		SUBMARINE CABLE
			Miles* (c) {3}	Oper. Voltage (d) {4}	Feet & Oper. Volt. (e)&(f) {5}
1	Distribution	110	701	N/A	N/A
2					
3	Tranmission	1	2	N/A	N/A
4					
5					
6					
7					
8					
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Name of Respondent	This Report is:	Date of Report:	Year of Report
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**OVERHEAD DISTRIBUTION SYSTEMS  
OVERHEAD TRANSMISSION SYSTEMS AND OVERHEAD DISTRIBUTION SYSTEMS**

1. Report below information called for as at end of year, for each municipality or tax district.
2. Municipalities are to be grouped under operating or commercial districts.
3. Designate any overhead distribution system plant held under any title other than full ownership and in a footnote state the name of owner or co-owner of such plant, the nature of respondent's title, and percent ownership.

Line No.	MUNICIPALITY OR TAX DISTRICT (a)	MILES OF POLE LINE			WIRE MILES (e)	CABLE MILES (f)
		TOTAL (b)	ON PUBLIC WAYS (c)	ON PRIVATE R/W (d)		
1	<b>TRANSMISSION</b>					N/A
2	CLOSTER	1	0	1	2	N/A
3	CRESSKILL	0	0	0	1	N/A
4	DEMAREST	1	0	1	2	N/A
5	FRANKLIN LAKES	0	0	0	0	N/A
6	HARRINGTON PARK	0	0	0	0	N/A
7	MAHWAH	2	0	2	28	N/A
8	MONTVALE	3	0	3	15	N/A
9	NORTHVALE	1	0	1	9	N/A
10	NORWOOD	1	0	1	7	N/A
11	OLD TAPPAN	2	0	2	15	N/A
12	RAMSEY	10	0	10	9	N/A
13	RIVERVALE	0	0	0	6	N/A
14	UPPER SADDLE RIVER	1	0	1	6	N/A
15	RINGWOOD	6	0	6	28	N/A
16	WEST MILFORD	2	0	2	12	N/A
17						
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Name of Respondent	This Report is:	Date of Report:	Year of Report
<b>Rockland Electric Company</b>	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/30/10	December 31, 2009

**OVERHEAD DISTRIBUTION SYSTEMS  
OVERHEAD TRANSMISSION SYSTEMS AND OVERHEAD DISTRIBUTION SYSTEMS**

1. Report below information called for as at end of year, for each municipality or tax district.
2. Municipalities are to be grouped under operating or commercial districts.
3. Designate any overhead distribution system plant held under any title other than full ownership and in a footnote state the name of owner or co-owner of such plant, the nature of respondent's title, and percent ownership.

Line No.	MUNICIPALITY OR TAX DISTRICT (a)	MILES OF POLE LINE			WIRE MILES (e)	CABLE MILES (f)
		TOTAL (b)	ON PUBLIC WAYS (c)	ON PRIVATE R/W (d)		
1	<b>DISTRIBUTION</b>					
2	ALLENDALE	41	36	5	133	26
3	ALPINE	26	22	4	80	26
4	CLOSTER	56	51	5	188	14
5	CRESSKILL	39	36	3	139	17
6	DEMAREST	33	30	3	95	5
7	F.LAKES	87	72	15	273	96
8	H.PARK	29	28	1	68	8
9	MAHWAH	130	102	28	408	170
10	HAWORTH	9	9	-	20	-
11	MONTAGUE	15	11	4	36	1
12	MONTVALE	53	46	7	167	39
13	NORTHVALE	30	26	3	89	5
14	NORWOOD	31	29	2	98	16
15	OAKLAND	90	77	13	268	29
16	OLD TAPPAN	21	19	2	73	23
17	RAMSEY	84	72	12	273	63
18	RIVERVALE	-	-	-	-	-
19	ROCKLIEGH	8	6	2	23	2
20	SADDLE RIVER	28	22	6	74	25
21	UPPER S.RIV	65	58	7	199	33
22	WYCOFF	57	52	5	175	18
23	WANTAGE	-	-	-	-	-
24	DUMONT	-	-	-	1	-
25	WALDWICK	-	-	-	-	-
26	RINGWOOD	73	51	22	243	24
27	W.MILFORD	200	140	60	627	43
28	VERNON	5	4	1	13	-
29						
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report: (Mo, Da, Yr) 04/30/10	Year of Report December 31, 2009
<b>Rockland Electric Company</b>			

**STREET LIGHTING AND SIGNAL SYSTEMS**

1. Report below the information called for concerning street lighting and signal systems owned or leased at end of year.  
2. Designate any street lighting and signal system plant held under any title other than full ownership and, in a footnote, state the names of owner or co-owner of such plant, the nature of respondent's title, and percent ownership.

Line No.	Item (a)	TOTAL (b)	STREET LIGHT SYSTEM			SIGNAL AND TRAFFIC SYSTEMS (f) & (g)
			FILAMENT (c)	MERCURY (d)	FLUORESCENT (e)	
1	OVERHEAD STREET LIGHTING	11,748	N/A	N/A	N/A	N/A
2	UNDERGROUND STREET LIGHTING	1,799	N/A	N/A	N/A	N/A
3						
4						
5						
6						
7						
8						
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**RECONCILIATION BETWEEN FERC AND STOCKHOLDER'S  
ANNUAL REPORT (Continued)  
(\$000s)**

Line No.	Description	FERC USOA	Adjustments	Footnote Ref	Subsidiaries	Consolidations Eliminations	Footnote Ref	SEC Format
1	<b>Balance Sheet</b>							
2	<u>Assets</u>							
3	Total Net Utility Plant	\$ 194,198	\$ 1,702	A				\$ 195,900
4								
5								
6								
7	Other Property & Investments	231				(231)	B	-
8								
9								
10								
11	Current Assets	43,216	6,157	D	1,400	(834)	C	49,939
12								
13								
14								
15	Deferred Debits	69,239	(19,084)	E	33,669			83,824
16								
17								
18								
19								
20	Total	\$ 306,884	\$ (11,225)		\$ 35,069	\$ (1,065)		\$ 329,663
21	<u>Liabilities &amp; Capital</u>							
22	Proprietary Capital	\$ 165,952			\$ 231	\$ (231)	F	\$ 165,952
23								
24								
25								
26	Long Term Debt	0	-		31,527			31,527
27								
28	Other Noncurrent Liabilities	4,371	-					4,371
29								
30								
31	Current & Accrued Liabilities	46,989	30	G	3,311	(834)	H	49,496
32								
33								
34	Deferred Credits	89,572	(11,255)	I				78,317
35								
36								
37								
38								
39	Operating Reserves							
40								
41	Income Taxes							
42								
43	Total	\$306,884	(\$11,225)		\$35,069	(\$1,065)		\$329,663

**RECONCILIATION BETWEEN FERC AND STOCKHOLDER'S  
ANNUAL REPORT (Continued)  
FOOTNOTES  
(\$000s)**

A	In accordance with SFAS No. 143, "Accounting for Asset Retirement Obligations", at December 31, 2009, the Company reclassified the cost of removal less salvage value originally included in the accumulated reserve to a regulatory liability in 2009.	1,702
B	Investment in subsidiaries eliminated in consolidation	(231)
C	Investment in subsidiaries eliminated in consolidation	(834)
D	Negative Cash reclassified from current liabilities to cash on FERC basis	30
	Move Long term deivative from current assets to deferred debits	6,127
E	Deferred FIT in account 190 reclassed to Deferred FIT Taxes in Liabilities Section	(10,662)
	Reg Liability SFAS 109 reclassed to net against Recoverable Income Taxes in Asset Section	(2,295)
	Move Long term deivative from current assets to deferred debits	(6,127)
F	Investment in Subsidiaries eliminated in consolidation	(231)
G	Negative Cash reclassified from current liabilities to cash on FERC basis	30
H	Investment in subsidiaries eliminated in consolidation	(834)
I	Deferred FIT in account 190 reclassed to Deferred FIT Taxes in Liabilities Section	(10,662)
	Reg Liability SFAS 109 reclassed to net against Recoverable Income Taxes in Asset Section	(2,295)
	In accordance with SFAS No. 143, "Accounting for Asset Retirement Obligations", at December 31, 2009, the Company reclassified the cost of removal less salvage value originally included in the accumulated reserve to a regulatory liability in 2009.	1,702

**RECONCILIATION BETWEEN FERC AND STOCKHOLDER'S  
ANNUAL REPORT (Continued)  
(\$000s)**

Line No.	Description	FERC USOA	Adjustments	Subsidiaries	Consolidations Eliminations	Footnote Ref	SEC Format
1	<b>Income Statement</b>						
2	<u>Operating Revenues</u>	\$ 216,631	-	\$ 4,840			\$ 221,471
3							
4							
5							
6	<u>Operating Expenses</u>	(209,447)		(2,910)			(212,357)
7							
8							
9							
10	<u>Other Income and Deductions</u>	692		(58)			634
11							
12							
13							
14	<u>Interest Charges</u>	84		(1,872)			(1,788)
15							
16							
17							
18	<u>Extraordinary Items</u>	-					-
19							
20							
21							
22							
23							
24							
25	Net Income	\$7,960	\$0	\$0	\$0		\$7,960

**FOOTNOTES**

**RECONCILIATION BETWEEN FERC AND STOCKHOLDER'S  
ANNUAL REPORT (Continued)  
(\$000s)**

Line No.	Description	FERC USOA	Adjustments	Subsidiaries	Consolidations Eliminations	Footnote Ref	SEC Format
1	<b>Statement of Cash Flows</b>						
2	<u>Operating Activities</u>	\$ 11,140		\$ 2,741			\$ 13,881
3							
4							
5							
6							
7							
8	<u>Investing Activities</u>	(13,595)					(13,595)
9							
10							
11							
12							
13							
14	<u>Financing Activities</u>	-					-
15		-		(2,741)			(2,741)
16							
17							
18	Net increase (decrease) in cash						
19	and cash equivalents	(2,455)	-	-			(2,455)
20							
21							
22	Cash and cash equivalents,						
23	Beginning of Year	10,518	30	-		G	10,548
24							
25	Cash and cash equivalents,						
26	End of Year	\$ 8,063	\$ 30	-			\$ 8,093

**FOOTNOTES**

**ROCKLAND ELECTRIC COMPANY**

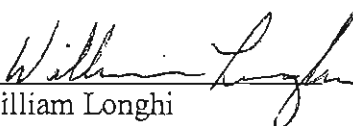
Certificate

I, William Longhi, the Chief Executive Officer of Rockland Electric Company ("RECO"), an indirect wholly owned subsidiary of Consolidated Edison, Inc. ("CEI"), do hereby certify:

(a) As required by New Jersey Administrative Code 14:4-4A.3, that as of December 31, 2009, the aggregate assets of all "non-utility associates" of RECO do not exceed 25 percent of the aggregate assets of all "public utilities" and "utility associates" of RECO.

(b) This certification has been authorized by RECO's Board of Directors by unanimous written consent, dated April 25, 2007.

IN WITNESS WHEREOF, I have hereunto set my hand this 15<sup>th</sup> day of March, 2010.

  
\_\_\_\_\_  
William Longhi


CONSOLIDATED EDISON, INC.

CERTIFICATE

I, Kevin Burke, the Chief Executive Officer of Consolidated Edison, Inc. ("CEI"), do hereby certify:

- (a) As required by New Jersey Administrative Code 14:4-4A.3, that as of December 31, 2009, the aggregate assets of all "non-utility associates" of CEI do not exceed 25 percent of the aggregate assets of all "public utilities" and "utility associates" of CEI.
- (b) This certification has been authorized by CEI's Board of Directors at a meeting duly called and held on April 19, 2007.

IN WITNESS WHEREOF, I have hereunto set my hand this 22 day of April 2010.

  
\_\_\_\_\_  
Kevin Burke

## CONSOLIDATED EDISON, INC.

### List of Subsidiaries

Consolidated Edison, Inc. ("CEI") is a public utility holding company. CEI's direct and indirect subsidiaries are listed below. Rockland Electric Company is an indirect wholly owned subsidiary of CEI. At December 31, 2009, CEI's total assets were \$33,872,536,153. All of the subsidiaries are "public utilities" or "utility associates" as defined in Subchapter 4A of Title 14 of the New Jersey Administrative Code, with the exception of Clove Development Corporation and Orange and Rockland Development Corporation (See Items B3 and B4, below), whose assets totaled \$20,906,805 at December 31, 2009 and who are "non-utility associates" (as defined in such Subchapter). Based on the foregoing, the assets of the "non-utility associates" constitute less than one tenth of one percent of the total assets of CEI's "public utilities" and "utility associates." Please note that, because of inter-company consolidations, the sum of the subsidiaries' total assets will not equal CEI's total assets.

A. Consolidated Edison Company of New York, Inc. ("Con Edison"). Con Edison supplies electric service in all of New York City (except part of Queens) and most of Westchester County, New York. At December 31, 2009, Con Edison's total assets were \$30,460,542,052. Con Edison has the following subsidiaries:

1. Davids Island Development Corp. ("DIDCO"). DIDCO was formed in order to purchase properties in Dutchess County and Columbia County, New York, for the construction of new electric generating facilities. Con Edison determined that these sites, which are in Con Edison's rate base, were no longer needed, and is in the process of disposing of the remaining property. At December 31, 2009, its total assets were \$10,000.

2. D.C.K. Management Corp. ("DCK"). DCK had previously owned real property in the City of New York. At December 31, 2009, it had no assets.

3. Honeoye Storage Corporation ("Honeoye"). Honeoye owns and operates a gas storage facility in upstate New York. Honeoye is 28.81 percent owned by Con Edison and 19.1% owned by CEI. At December 31, 2009, its total assets were \$11,600,231.

4. Steam House Leasing LLC ("SHL"). SHL leases a steam generating plant that produces steam for Con Edison's steam distribution business. At December 31, 2009, its total assets were zero.

B. Orange and Rockland Utilities, Inc. ("O&R"). O&R provides service to electric and gas customers in New York in a service area covering all of Rockland County, most of Orange County and part of Sullivan County. At December 31, 2009, O&R's total assets were \$2,215,963,607. O&R has the following subsidiaries:

1. Rockland Electric Company ("RECO"). RECO provides service to electric customers in New Jersey in the northern parts of Bergen and Passaic Counties and small areas in northern Sussex County. At December 31, 2009, RECO's total assets were \$ 334,021,262. RECO has the following subsidiary:

a. Rockland Electric Company Transition Funding LLC ("Transition Funding"). Transition Funding was formed to purchase Bondable Transition Property from RECO, as authorized by the New Jersey Board of Public Utilities, and to issue Bonds secured by such property. At December 31, 2009, Transition Funding's total assets were \$ 35,069,155.

2. Pike County Light & Power Company ("Pike"). Pike provides electric and gas service to customers in Pike County, in the northeastern corner of Pennsylvania. At December 31, 2009, Pike's total assets were \$ 15,966,765.

3. Clove Development Corporation ("Clove"). Clove is an inactive real estate sales company. Clove no longer owns any real estate. Its assets are cash and notes receivables. At December 31, 2009, Clove's total assets were \$20,383,129 . Clove is a non-utility associate.

4. O&R Development, Inc. ("ORDEVCO"). ORDEVCO is an inactive real estate development company. ORDEVCO's principal assets are cash and notes receivable. At December 31, 2009, ORDEVCO's total assets were \$523,676. ORDEVCO is a non-utility associate.

C. Consolidated Edison Solutions, Inc. ("CES"). CES provides wholesale and retail energy and related services. At December 31, 2009, CES's total assets were \$229,914,606. CES has the following subsidiaries:

1. CES/AEI/OLF Cogeneration L.L.C. ("CAO"). CAO was formed to own, operate, and maintain a distributed generation facility located in Bronx, New York. At December 31, 2009, CAO's total assets were \$624,450.

2. BGA, Inc. ("BGA"). BGA is an energy service company with offices in Tampa, Florida. At December 31, 2009, BGA's assets were \$10,388,283.

3. Custom Energy Services, LLC ("Custom Energy Services"). Energy Services is an energy services company with offices in Overland Park, Kansas. At December 31, 2009, Custom Energy Services' assets were \$13,231,382.

D. Consolidated Edison Development, Inc. ("CED"). CED has investments in domestic and foreign energy projects. At December 31, 2009, CED's total assets were \$122,063,345. CED has the following subsidiaries:

1. Con Edison Development Guatemala, Ltd. ("CEDG"). CEDG invests in an energy project in Guatemala. At December 31, 2009, CEDG's total assets were \$4,047,921. CEDG has the following subsidiary:



a. Energy Finance Partners of Central America, L.P. ("EPCA"). EPCA was organized to invest in an electric power project in Guatemala. CEDG owns an approximately 99.99% interest in EPCA. The remaining 0.01% interest is owned by Con Edison Development Acquisition and Finance, Ltd. ("CEDAF"), which is owned 100% by CED. At December 31, 2009, EPCA's total assets were \$3,498,727. EPCA has the following subsidiary:

(i) Generadora Electrica del Norte, Limitada, ("GENOR"). EPCA has a 49% interest in GENOR, which owns and operates a 42 MW electric generating facility in Guatemala. At December 31, 2009, EPCA's investment in GENOR was \$3,498,727. In February of 2010, CED entered into an agreement to sell its interests in CEDG and CEDAF to two purchasers. Upon the closing of this sale, CED will no longer have any direct or indirect ownership interests in CEDG, CEDAF, EPCA, or GENOR.

2. Consolidated Edison Leasing, LLC ("CEL"). CEL has an investment in the lease of a electric generating facility in the Netherlands. At December 31, 2009, CEL's total assets were negative \$19,173,008.

a. ROCA Facility Trust No. 2 ("ROCA"). CEL is the sole beneficiary of ROCA, which is the special purpose entity through which CEL made its investment in this lease. At December 31, 2009, ROCA's total assets were \$102,729,785.

3. Con Edison Leasing, LLC. ("CELLLC"). CELLLC has an investment in a lease of a gas distribution system in the Netherlands. At December 31, 2009, CELLLC's total assets were negative \$10,789,396.

a. NUON Trust No. 3 ("NUON"). CELLLC is the sole beneficiary of NUON, which is the special purpose entity through which CELLLC made its investment in this lease. At December 31, 2009, NUON's total assets were \$132,255,613.

4. CED Ada, Inc. ("CEDA"). CEDA was organized to invest in a power plant in Michigan, which was sold in 2008. At December 31, 2009, CEDA total assets were \$0.

5. CED/SCS Newington, LLC ("CED/SCS"). CED owns 100% of CED/SCS. It was formed to invest in a power plant in New Hampshire, which was sold in 2008. At December 31, 2009, CED/SCS's total assets were \$0.

6. CED Generation Holding Company II, LLC ("CED Holding II") CED Holding II was organized in connection with a proposed internal reorganization that was never completed. It is presently inactive. It has no assets or business operations.

7. CEDST, LLC ("CEDST"). At December 31, 2009, CEDST's total assets were \$4,806,684. CEDST has the following subsidiary:

a. CED 42, LLC ("CED42"). CED42 and CEDST were formed to invest in a low-income housing transaction, which generate tax credits under Section 42 of the Internal Revenue Code of 1986. At December 31, 2009, CEDST's total assets were \$3,596,866.

(i) SunAmerica Affordable Housing Partners 93, LP ("SAHP 93"). SAHP 93 owns interests in low-income housing projects throughout the United States. At December 31, 2009, SAHP 93's assets were \$3,633,197.

8. CED Wind Power LLC. ("CEDW"). CEDW was formed to invest in wind power electric generating facilities. At December 31, 2009, it had no assets.

E. Consolidated Edison Energy, Inc. ("CEEI"). CEEI is an energy trading company that markets specialized energy supply services to wholesale customers. At December 31, 2009, CEEI's assets were \$135,317,825. CEEI has the following subsidiary:

1. Competitive Shared Services, Inc. ("CSSI"). CSSI provides accounting and other services to CES, CEDI, and CEEI. CSSI is a wholly owned subsidiary of CEEI. At December 31, 2009, CSSI's total assets were \$859,516.

F. Consolidated Edison, Inc., originally incorporated as CWB Holdings, Inc., is a corporation organized and existing under the laws of the State of Delaware. At December 31, 2009, CEI total assets were \$11,941,000,000.