

ANNUAL REPORT

OF

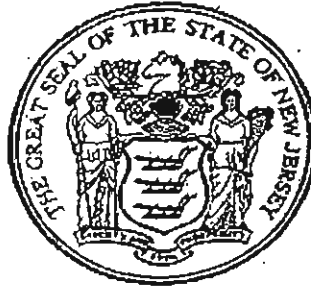
Rockland Electric Company

NAME OF RESPONDENT

4 Irving Place, New York, NY 10003

ADDRESS OF RESPONDENT

TO THE



STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES
TWO GATEWAY CENTER, SUITE 801,
NEWARK, NEW JERSEY 07102

FOR THE YEAR ENDED December 31, 2011

Name of Officer in charge of correspondence
with the Board regarding this report

Robert Muccilo

Official Title CFO and Controller Office Address

4 Irving Place
New York, NY 10003

Name and Address of Registered Agent

Corporation Service Company
830 Bear Tavern Road
West Trenton, NJ 08628



Report of Independent Auditors

To the Board of Directors of Rockland Electric Company

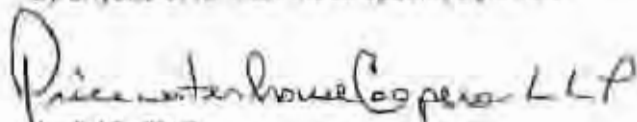
We have audited the balance sheets of Rockland Electric Company (the "Company") as of December 31, 2011 and 2010 and the related statements of income, of retained earnings and of cash flows for the years then ended included on pages 110 through 121 and on page 123 of the accompanying Federal Energy Regulatory 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, 2011 and 2010, 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, 2012

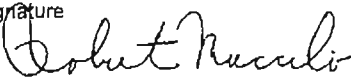
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

| IDENTIFICATION | | |
|---|--|--|
| 01 Exact Legal Name of Respondent Rockland Electric Company | 02 Year/Period of Report End of 2011/Q4 | |
| 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) 12/31/2011 |

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) 04/16/2012 |
| 02 Title CFO & Controller | | |

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".

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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) |
|----------|---|---------------------------|----------------|
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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)

12/31/2011

Year/Period of Report

End of 2011/Q4

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) |
|----------|---|---------------------------|----------------|
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| | <p>Stockholders' Reports Check appropriate box:</p> <p><input type="checkbox"/> Two copies will be submitted</p> <p><input checked="" type="checkbox"/> No annual report to stockholders is prepared</p> | | |

| | | | |
|---|---|--|--|
| 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) 12/31/2011 | Year/Period of Report End of <u>2011/Q4</u> |
|---|---|--|--|

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

| | | | |
|---|---|--|--|
| 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) 12/31/2011 | Year/Period of Report End of <u>2011/Q4</u> |
|---|---|--|--|

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) | William Longhi | |
| 2 | Chief Financial Officer and Controller (b) | Robert Muccilo | |
| 3 | Treasurer (b) | John E. Perkins | |
| 4 | VP - Operations (a) | James W. Tarpey | |
| 5 | VP - Customer Service (a) | Edwin J. Ortiz | |
| 6 | Director | George Strayton | |
| 7 | Chairman (b) | Kevin Burke | |
| 8 | Secretary (b) | Marissa Joss-Waronker | |
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| 10 | (a) Orange and Rockland Employee | | |
| 11 | (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)
12/31/2011

Year/Period of Report
End of 2011/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)

12/31/2011

Year/Period of Report

End of 2011/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)

12/31/2011

Year/Period of Report

End of 2011/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 12/31/2011 | Year/Period of Report End of <u>2011/Q4</u> |
|---|---|------------------------------|--|

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 | This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) 12/31/2011 | Year/Period of Report 2011/Q4 |
| Rockland Electric Company | | | |
| IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued) | | | |

| | | | |
|---|---|--|------------------------------|
| 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) 04/16/11 | Year of Report 12/31/2011 |
| Rockland Electric Company | | | |
| IMPORTANT CHANGES DURING THE 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 November 1, 2011, Francis W. Perverly has been named Vice President - Operations of Orange & 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) |
|-----------|---|----------------------|---|---|
| 1 | UTILITY PLANT | | | |
| 2 | Utility Plant (101-106, 114) | 200-201 | 270,484,461 | 260,176,890 |
| 3 | Construction Work in Progress (107) | 200-201 | 8,483,175 | 5,237,038 |
| 4 | TOTAL Utility Plant (Enter Total of lines 2 and 3) | | 278,967,636 | 265,413,928 |
| 5 | (Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115) | 200-201 | 65,163,099 | 64,079,690 |
| 6 | Net Utility Plant (Enter Total of line 4 less 5) | | 213,804,537 | 201,334,238 |
| 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) | | 213,804,537 | 201,334,238 |
| 15 | Utility Plant Adjustments (116) | | 0 | 0 |
| 16 | Gas Stored Underground - Noncurrent (117) | | 0 | 0 |
| 17 | OTHER PROPERTY AND INVESTMENTS | | | |
| 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 |
| 33 | CURRENT AND ACCRUED ASSETS | | | |
| 34 | Cash and Working Funds (Non-major Only) (130) | | 0 | 0 |
| 35 | Cash (131) | | 4,401,624 | 993,400 |
| 36 | Special Deposits (132-134) | | 0 | 0 |
| 37 | Working Fund (135) | | 12,370 | 13,876 |
| 38 | Temporary Cash Investments (136) | | 15,400,000 | 13,128,000 |
| 39 | Notes Receivable (141) | | 0 | 0 |
| 40 | Customer Accounts Receivable (142) | | 10,420,579 | 14,828,509 |
| 41 | Other Accounts Receivable (143) | | 5,835,657 | 5,658,934 |
| 42 | (Less) Accum. Prov. for Uncollectible Acct.-Credit (144) | | 573,009 | 814,680 |
| 43 | Notes Receivable from Associated Companies (145) | | 0 | 0 |
| 44 | Accounts Receivable from Assoc. Companies (146) | | 5,341,661 | 3,998,134 |
| 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 | 2,217,186 | 1,965,244 |
| 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) | | 2,650,989 | 1,179,002 |
| 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) | | 6,585,881 | 7,891,585 |
| 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) | | 52,292,938 | 48,842,004 |
| 68 | DEFERRED DEBITS | | | |
| 69 | Unamortized Debt Expenses (181) | | 0 | 0 |
| 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 | 56,113,986 | 54,361,547 |
| 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 | 2,318,920 | 1,441,679 |
| 79 | Def. Losses from Disposition of Utility Plt. (187) | | 0 | 0 |
| 80 | Research, Devel. and Demonstration Expend. (188) | 352-353 | 822 | 10,692 |
| 81 | Unamortized Loss on Reaquired Debt (189) | | 0 | 0 |
| 82 | Accumulated Deferred Income Taxes (190) | 234 | 5,763,879 | 11,985,754 |
| 83 | Unrecovered Purchased Gas Costs (191) | | 0 | 0 |
| 84 | Total Deferred Debits (lines 69 through 83) | | 64,197,607 | 67,799,672 |
| 85 | TOTAL ASSETS (lines 14-16, 32, 67, and 84) | | 330,526,582 | 318,207,414 |

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 | 182,678,107 | 168,709,125 |
| 12 | Unappropriated Undistributed Subsidiary Earnings (216.1) | 118-119 | 0 | 0 |
| 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) | | 193,878,107 | 179,909,125 |
| 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) | | 49,999 | 50,000 |
| 29 | Accumulated Provision for Pensions and Benefits (228.3) | | 1,486,371 | 2,751,547 |
| 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 | | 1,982,662 | 4,573,014 |
| 34 | Asset Retirement Obligations (230) | | 0 | 0 |
| 35 | Total Other Noncurrent Liabilities (lines 26 through 34) | | 3,519,032 | 7,374,561 |
| 36 | CURRENT AND ACCRUED LIABILITIES | | | |
| 37 | Notes Payable (231) | | 0 | 0 |
| 38 | Accounts Payable (232) | | 12,175,145 | 11,645,014 |
| 39 | Notes Payable to Associated Companies (233) | | 0 | 0 |
| 40 | Accounts Payable to Associated Companies (234) | | 9,718,373 | 16,478,011 |
| 41 | Customer Deposits (235) | | 2,405,230 | 2,044,728 |
| 42 | Taxes Accrued (236) | 262-263 | 1,380,800 | 0 |
| 43 | Interest Accrued (237) | | -18,637 | -165,852 |
| 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) | | 2,907,624 | 2,147,941 |
| 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) | | 7,019,221 | 11,046,774 |
| 53 | (Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges | | 1,982,662 | 4,573,014 |
| 54 | Total Current and Accrued Liabilities (lines 37 through 53) | | 33,605,094 | 38,623,602 |
| 55 | DEFERRED CREDITS | | | |
| 56 | Customer Advances for Construction (252) | | 679,674 | 222,101 |
| 57 | Accumulated Deferred Investment Tax Credits (255) | 266-267 | 719,806 | 709,639 |
| 58 | Deferred Gains from Disposition of Utility Plant (256) | | 0 | 0 |
| 59 | Other Deferred Credits (253) | 269 | 13,879,537 | 9,335,442 |
| 60 | Other Regulatory Liabilities (254) | 278 | 1,683,373 | 2,633,064 |
| 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) | | 38,853,664 | 36,324,265 |
| 64 | Accum. Deferred Income Taxes-Other (283) | | 43,708,295 | 43,075,615 |
| 65 | Total Deferred Credits (lines 56 through 64) | | 99,524,349 | 92,300,126 |
| 66 | TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65) | | 330,526,582 | 318,207,414 |

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 | 203,585,424 | 227,164,668 | | |
| 3 | Operating Expenses | | | | | |
| 4 | Operation Expenses (401) | 320-323 | 162,627,929 | 183,279,954 | | |
| 5 | Maintenance Expenses (402) | 320-323 | 6,260,729 | 7,112,660 | | |
| 6 | Depreciation Expense (403) | 336-337 | 3,970,685 | 3,758,174 | | |
| 7 | Depreciation Expense for Asset Retirement Costs (403.1) | 336-337 | | | | |
| 8 | Amort. & Depl. of Utility Plant (404-405) | 336-337 | 11,129 | 273 | | |
| 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 | 8,134,729 | 8,003,709 | | |
| 15 | Income Taxes - Federal (409.1) | 262-263 | 3,079,773 | 4,715,224 | | |
| 16 | - Other (409.1) | 262-263 | 1,665,007 | 2,315,857 | | |
| 17 | Provision for Deferred Income Taxes (410.1) | 234, 272-277 | 16,030,750 | 8,449,682 | | |
| 18 | (Less) Provision for Deferred Income Taxes-Cr. (411.1) | 234, 272-277 | 12,396,976 | 4,317,413 | | |
| 19 | Investment Tax Credit Adj. - Net (411.4) | 266 | 10,167 | -81,520 | | |
| 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) | | 189,393,922 | 213,236,600 | | |
| 26 | Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27 | | 14,191,502 | 13,928,068 | | |
| | | | | | | |

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 |
| 203,585,424 | 227,164,668 | | | | | 2 |
| | | | | | | 3 |
| 162,627,929 | 183,279,954 | | | | | 4 |
| 6,260,729 | 7,112,660 | | | | | 5 |
| 3,970,685 | 3,758,174 | | | | | 6 |
| | | | | | | 7 |
| 11,129 | 273 | | | | | 8 |
| | | | | | | 9 |
| | | | | | | 10 |
| | | | | | | 11 |
| | | | | | | 12 |
| | | | | | | 13 |
| 8,134,729 | 8,003,709 | | | | | 14 |
| 3,079,773 | 4,715,224 | | | | | 15 |
| 1,665,007 | 2,315,857 | | | | | 16 |
| 16,030,750 | 8,449,682 | | | | | 17 |
| 12,396,976 | 4,317,413 | | | | | 18 |
| 10,167 | -81,520 | | | | | 19 |
| | | | | | | 20 |
| | | | | | | 21 |
| | | | | | | 22 |
| | | | | | | 23 |
| | | | | | | 24 |
| 189,393,922 | 213,236,600 | | | | | 25 |
| 14,191,502 | 13,928,068 | | | | | 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) | | 14,191,502 | 13,928,068 | | |
| 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) | | 66,115 | 44,664 | | |
| 38 | Allowance for Other Funds Used During Construction (419.1) | | 149,138 | 67,799 | | |
| 39 | Miscellaneous Nonoperating Income (421) | | | 29,364 | | |
| 40 | Gain on Disposition of Property (421.1) | | | | | |
| 41 | TOTAL Other Income (Enter Total of lines 31 thru 40) | | 215,253 | 141,827 | | |
| 42 | Other Income Deductions | | | | | |
| 43 | Loss on Disposition of Property (421.2) | | | | | |
| 44 | Miscellaneous Amortization (425) | | | | | |
| 45 | Donations (426.1) | | 80,083 | 81,966 | | |
| 46 | Life Insurance (426.2) | | -2,317 | -2,099 | | |
| 47 | Penalties (426.3) | | 90 | | | |
| 48 | Exp. for Certain Civic, Political & Related Activities (426.4) | | 9,348 | 5,117 | | |
| 49 | Other Deductions (426.5) | | 14,667 | 8,427 | | |
| 50 | TOTAL Other Income Deductions (Total of lines 43 thru 49) | | 101,871 | 93,411 | | |
| 51 | Taxes Applic. to Other Income and Deductions | | | | | |
| 52 | Taxes Other Than Income Taxes (408.2) | 262-263 | 18,179 | 17,530 | | |
| 53 | Income Taxes-Federal (409.2) | 262-263 | 48,006 | 41,391 | | |
| 54 | Income Taxes-Other (409.2) | 262-263 | | | | |
| 55 | Provision for Deferred Inc. Taxes (410.2) | 234, 272-277 | 162,456 | -45,532 | | |
| 56 | (Less) Provision for Deferred Income Taxes-Cr. (411.2) | 234, 272-277 | 235,566 | 13,972 | | |
| 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) | | -6,925 | -583 | | |
| 60 | Net Other Income and Deductions (Total of lines 41, 50, 59) | | 120,307 | 48,999 | | |
| 61 | Interest Charges | | | | | |
| 62 | Interest on Long-Term Debt (427) | | | | | |
| 63 | Amort. of Debt Disc. and Expense (428) | | | | | |
| 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) | | 408,244 | 51,360 | | |
| 69 | (Less) Allowance for Borrowed Funds Used During Construction-Cr. (432) | | 65,417 | 31,354 | | |
| 70 | Net Interest Charges (Total of lines 62 thru 69) | | 342,827 | 20,006 | | |
| 71 | Income Before Extraordinary Items (Total of lines 27, 60 and 70) | | 13,968,982 | 13,957,061 | | |
| 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) | | 13,968,982 | 13,957,061 | | |

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 | | 168,709,125 | 154,752,064 |
| 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) | | 13,968,982 | 13,957,061 |
| 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 | | | |
| 38 | Balance - End of Period (Total 1,9,15,16,22,29,36,37) | | 182,678,107 | 168,709,125 |
| | 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) | | 182,678,107 | 168,709,125 |
| | UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account | | | |
| | Report only on an Annual Basis, no Quarterly | | | |
| 49 | Balance-Beginning of Year (Debit or Credit) | | | |
| 50 | Equity in Earnings for Year (Credit) (Account 418.1) | | | |
| 51 | (Less) Dividends Received (Debit) | | | |
| 52 | | | | |
| 53 | Balance-End of Year (Total lines 49 thru 52) | | | |

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) | 13,968,982 | 13,957,062 |
| 3 | Noncash Charges (Credits) to Income: | | |
| 4 | Depreciation and Depletion | 3,981,814 | 3,758,447 |
| 5 | Amortization of | | |
| 6 | | | |
| 7 | | | |
| 8 | Deferred Income Taxes (Net) | 9,383,954 | 3,672,675 |
| 9 | Investment Tax Credit Adjustment (Net) | 10,167 | -81,521 |
| 10 | Net (Increase) Decrease in Receivables | 3,951,713 | -5,322,184 |
| 11 | Net (Increase) Decrease in Inventory | -251,942 | 61,232 |
| 12 | Net (Increase) Decrease in Allowances Inventory | | |
| 13 | Net Increase (Decrease) in Payables and Accrued Expenses | -3,581,307 | 569,354 |
| 14 | Net (Increase) Decrease in Other Regulatory Assets | -1,752,439 | 2,276,138 |
| 15 | Net Increase (Decrease) in Other Regulatory Liabilities | -949,691 | -2,153,713 |
| 16 | (Less) Allowance for Other Funds Used During Construction | 149,138 | 67,799 |
| 17 | (Less) Undistributed Earnings from Subsidiary Companies | | |
| 18 | Other (provide details in footnote): | -2,206,581 | -1,832,212 |
| 19 | Net (Increase) Decrease in prepaid assets | -1,471,987 | 1,324,865 |
| 20 | | | |
| 21 | | | |
| 22 | Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21) | 20,933,545 | 16,162,344 |
| 23 | | | |
| 24 | Cash Flows from Investment Activities: | | |
| 25 | Construction and Acquisition of Plant (including land): | | |
| 26 | Gross Additions to Utility Plant (less nuclear fuel) | -14,045,072 | -9,163,938 |
| 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 | -149,138 | -67,799 |
| 31 | Other (provide details in footnote): | | |
| 32 | | | |
| 33 | | | |
| 34 | Cash Outflows for Plant (Total of lines 26 thru 33) | -13,895,934 | -9,096,139 |
| 35 | | | |
| 36 | Acquisition of Other Noncurrent Assets (d) | | |
| 37 | Proceeds from Disposal of Noncurrent Assets (d) | -1,358,892 | -994,113 |
| 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) | -15,254,826 | -10,090,252 |
| 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) | 5,678,719 | 6,072,092 |
| 87 | | | |
| 88 | Cash and Cash Equivalents at Beginning of Period | 14,135,275 | 8,063,183 |
| 89 | | | |
| 90 | Cash and Cash Equivalents at End of period | 19,813,994 | 14,135,275 |
| | | | |

| | | | |
|---|---|--|----------------------------------|
| 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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| FOOTNOTE DATA | | | |

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

**ROCKLAND ELECTRIC COMPANY
STATEMENT OF CASH FLOWS
FOR YEARS ENDED**

| | Dec 2011 | Dec 2010 |
|--|--------------------|--------------------|
| Accum Provision | | |
| Charged to Clearing | 15,016 | 11,192 |
| Transfers | 29,306 | 283,393 |
| Retirement of Original Cost | (1,092,471) | (1,031,715) |
| | <u>(1,048,149)</u> | <u>(737,130)</u> |
| Misc Deferred Debit | (877,241) | 476,938 |
| Research and Development | 9,870 | 9,870 |
| Unamortized Loss on Reacquired Debt | - | - |
| Accum Prov for Pensions | (1,265,176) | (1,569,656) |
| Derivative Instrument Liabilities - Hedges | (4,027,553) | 20,517 |
| Customer Advances for Construction | 457,573 | 20,800 |
| Other Deferred Credits | 4,544,095 | (53,551) |
| Total Other | <u>(2,206,581)</u> | <u>(1,832,212)</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 12/31/2011 | Year/Period of Report End of <u>2011/Q4</u> |
|---|---|------------------------------|--|

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.

| | | | |
|---|---|--|----------------------------------|
| 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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| 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.

The Company has, pursuant to the accounting rules for subsequent events, evaluated events or transactions that occurred after December 31, 2011 through April 16, 2012 for potential recognition or disclosure in the Financial Statements.

Note A – Summary of Significant Accounting Policies

Principles of Consolidation

The Company's consolidated financial statements include the accounts of its subsidiary, 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"

| | | | |
|---|---|--|----------------------------------|
| 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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| Rockland Electric Company | | | |
| NOTES TO FINANCIAL STATEMENTS (Continued) | | | |

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 the majority of its 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.

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.

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 7.1 percent and 7.3 percent for 2011 and 2010, 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 rate for the Company was 1.5 percent in 2011 and 2010.

The estimated lives for utility plant for the Company range from 5 to 65 years.

At December 31, 2011 and 2010, the capitalized cost of the Company's utility plant, net of accumulated depreciation, was \$213.8 million and \$201.3 million, respectively.

Under the Company's current rate plans, the aggregate annual depreciation allowance in effect at December 31, 2011 was \$3.4 million.

| | | | |
|---|---|--|----------------------------------|
| 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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| Rockland Electric Company | | | |
| NOTES TO FINANCIAL STATEMENTS (Continued) | | | |

Impairments

In accordance with accounting rules 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, 2011 and 2010 were \$6.6 million and \$7.9 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 2011 and 2010 were \$6.3 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 for Sussex and Passaic counties 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 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 the remaining ten percent of the Company's electricity needs through the wholesale electricity market administered by the NYISO. The difference between purchased power

| | | | |
|---|---|--|----------------------------------|
| 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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| Rockland Electric Company | | | |
| NOTES TO FINANCIAL STATEMENTS (Continued) | | | |

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 F.

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 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

| | | | |
|---|---|--|----------------------------------|
| 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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| Rockland Electric Company | | | |
| NOTES TO FINANCIAL STATEMENTS (Continued) | | | |

Certain prior year amounts have been reclassified to conform with the current year presentation.

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

In May 2010, RECO, the Division of Rate Counsel, Staff of the NJBPU and certain other parties entered into a stipulation of settlement with respect to the company's August 2009 request to increase the rates that it can charge its customers for electric delivery service. The stipulation, which was approved by the Board of the NJBPU, provides for an electric rate increase, effective May 17, 2010, of \$9.8 million. The stipulation reflects a return on common equity of 10.3 percent and a common equity ratio of 49.85 percent. The stipulation continues current provisions with respect to recovery from customers of the cost of purchased power and does not provide for reconciliation of actual expenses to amounts reflected in electric rates for pension and other postretirement benefit costs.

Other Regulatory Matters

In April 2010, the NJBPU approved a March 2010 stipulation among RECO, the Division of Rate Counsel and Staff of the NJBPU, authorizing RECO to recover, through a customer bill surcharge, the revenue requirement impact associated with 50 percent of up to \$19.4 million of the costs of certain RECO smart electric grid projects for which RECO receives grants for the remaining 50 percent of such costs from the United States Department of Energy under the American Recovery and Reinvestment Act of 2009. As of December 31, 2011, the Company has recovered \$6.5 million of the \$19.4 million authorized from customers. The revenue requirement recovered through the bill surcharge includes a return on investment based upon a return on common equity of 10.3 percent. Pursuant to the stipulation, in the company's next base rate proceeding, the NJBPU will review the projects' costs, require the company to refund to customers amounts collected for costs, if any, that were not prudent, reasonable and incremental, and include in the company's rate base the remaining projects' costs.

| | | | |
|---|---|--|----------------------------------|
| 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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| Rockland Electric Company | | | |
| NOTES TO FINANCIAL STATEMENTS (Continued) | | | |

Regulatory Assets and Liabilities

Regulatory assets and liabilities at December 31, 2011 and 2010 were comprised of the following items:

| (Thousands of Dollars) | 2011 | 2010 |
|--|----------------|----------------|
| Regulatory assets | | |
| Recoverable income tax | \$15,794 | \$14,826 |
| Deferred derivative losses | 5,168 | 6,601 |
| Deferred retirement program costs | 1,552 | 2,963 |
| Deferred transition bond costs | 17,994 | 19,578 |
| Deferred derivative losses – long-term | 1,982 | 4,573 |
| Storm reserve excess | 11,913 | 4,190 |
| Other | 1,711 | 1,631 |
| Total Regulatory assets | 56,114 | 54,362 |
| Regulatory liabilities | | |
| Future deferred federal income tax | 771 | 2,144 |
| Other | 912 | 489 |
| Total Regulatory liabilities | \$1,683 | \$2,633 |

Note C – Capitalization

Common Stock

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

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 Consolidated Edison Company of New York, Inc. (CECONY) 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 recorded by the Parent and then allocated to the Company. The amount allocated to the Company amounted to \$7.6 million and \$6.1 million for 2011 and 2010, respectively. These amounts are included in other operations expenses 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.

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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.

The net periodic other postretirement expenses are recorded by the Parent and then allocated to the Company. The amounts allocated to RECO amounted to \$3.5 million and \$3.0 million for 2011 and 2010, respectively. These amounts are included in other operations expenses in the statement of operations.

Note F – Income Tax

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

| (Thousands of Dollars) | 2011 | 2010 |
|--|--------------|---------------|
| State | | |
| Current | \$1,665 | \$2,316 |
| Deferred – net | 1,062 | 405 |
| Federal | | |
| Current | 3,128 | 4,705 |
| Deferred – net | 2,509 | 3,720 |
| Amortization of investment tax credits | - | (82) |
| Total Charged to Expense | 8,364 | 11,064 |

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

| (Thousand of Dollars) | 2011 | 2010 |
|---|---------------|---------------|
| Deferred tax liabilities: | | |
| Depreciation | \$29,964 | \$27,630 |
| Regulatory assets – future income tax | 16,959 | 14,826 |
| State income tax | 8,496 | 8,187 |
| Capitalized overheads | 11,053 | 10,942 |
| Investment tax credits | 720 | 710 |
| Other | 15,655 | 17,534 |
| Total deferred tax liabilities | 82,847 | 79,829 |
| Deferred tax assets: | | |
| Regulatory liabilities – future income tax | 771 | 2,144 |
| Other | 4,615 | 9,572 |
| Total deferred tax assets | 5,386 | 11,716 |
| Net deferred tax liabilities and investment tax credits | 77,461 | 68,113 |
| Deferred tax liabilities and investment tax credits – Non current | 83,388 | 68,720 |
| Deferred tax asset – Current | (5,927) | (607) |
| Total deferred tax liabilities and investment tax credits | 77,461 | 68,113 |

Reconciliation of the difference between income tax expense and the amount computed by applying the prevailing

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statutory income tax rate to income before income taxes is as follows:

| (% of Pre-tax income) | 2011 | 2010 |
|---|------------|------------|
| STATUTORY TAX RATE | | |
| Federal | 35% | 35% |
| Changes in computed taxes resulting from: | | |
| State income tax | 7 | 7 |
| Depreciation related differences | - | - |
| Cost of removal | (2) | (1) |
| Medicare reimbursement | - | 2 |
| Amortization of investment tax credits | - | - |
| Capitalized Interest - 263A | (1) | |
| Other | (2) | 1 |
| Effective Tax Rate | 37% | 44% |

Uncertain Tax Positions

Under the accounting rules for income taxes, an enterprise shall not recognize the tax benefit attributable to a tax position unless such 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 IRS has essentially completed its field audits of Con Edison's federal income tax returns through 2010. Con Edison's federal income tax returns for 1998 through 2010 reflect certain tax positions with which the IRS does not or may not agree.

Con Edison's 2010 and 2009 federal income tax returns reflect, among other things, an incremental current deduction for the costs of certain repairs to utility plant (the "repair allowance deductions"). Prior to 2009, Con Edison capitalized such costs and included these costs in depreciation expense in its federal income tax returns. At December 31, 2011, with respect to the repair allowance deductions, Con Edison recorded a liability for uncertain tax positions of \$88 million (\$367 thousand attributable to RECO).

In August 2011, the IRS issued guidance regarding the use and evaluation of statistical samples and sampling estimates. This guidance provides a safe harbor method of determining whether certain expenditures for electric transmission and distribution property can be currently deducted for federal income tax purposes. No guidance was issued related to gas property. At December 31, 2011, RECO's estimated liabilities for uncertain tax positions reflect its anticipated adoption of the new IRS guidance, which did not have a material impact on net income.

| (Millions of Dollars) | 2011 | 2010 |
|---|-------|---------|
| Balance at the beginning of the year | \$0.2 | \$(2.8) |
| Additions based on tax positions of prior years | 0.6 | 0.2 |
| Reductions for tax positions of prior years | (0.4) | 1.9 |
| Settlements | - | 0.9 |
| Balance at the end of the year | \$0.4 | \$0.2 |

At December 31, 2011, RECO's estimated liabilities for uncertain tax positions were classified on its balance sheet as

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current liabilities of (\$367 Thousands). The Company reasonably expects to resolve these uncertain tax positions with the IRS in the next 12 months.

RECO recognizes interest accrued related to the liability for uncertain tax positions in interest expense and would recognize penalties, if any, in operating expenses in RECO's income statements. In 2011, 2010 and 2009, RECO recognized an immaterial amount of interest and no penalties for uncertain tax positions in its income statements. At December 31, 2011 and 2010, RECO recognized an immaterial amount of interest and no penalties in its balance sheets.

At December 31, 2011, there are no unrecognized tax benefits that if recognized would materially affect RECO's effective tax rate.

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.

Energy Price Hedging

The Company hedges market price fluctuations associated with physical purchases of electricity by using electric derivative instruments including futures, forwards and options. The fair values of these hedges at December 31, 2011 and 2010 were as follows:

| (Thousands of Dollars) | 2011 | 2010 |
|--|-----------|---------------|
| Fair value of net derivative assets/ (liabilities) – gross | \$(7,020) | \$(11,047) |
| Fair value of net derivative assets/ (liabilities) – net | \$(7,020) | \$(11,047)(a) |

(a) Includes derivative liabilities of \$3 million with Con Edison's competitive energy businesses at December 31, 2010. See Note I.

Credit Exposure

The Company is exposed to credit risk related to transactions entered into primarily for the various electric 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, 2011.

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Economic Hedges

The Company enters into certain 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 commodity prices.

The fair values of the Company's commodity derivatives at December 31, 2011 and 2010 were:

| Fair Value of Commodity Derivatives (a) | | | |
|---|--------------------------------------|---------|-------------|
| (Thousands of Dollars) | Balance Sheet Location | 2011 | 2010 |
| Derivative Liabilities | | | |
| Current | Fair value of derivative liabilities | \$5,037 | \$6,474 |
| Long term | Fair value of derivative liabilities | 1,983 | 4,573 |
| Total derivative liabilities | | 7,020 | \$11,047 |
| Net derivative liabilities | | \$7,020 | \$11,047(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.

Includes derivative liabilities of \$3 million with Con Edison's competitive energy businesses at December 31, 2010. See Note I.

The Company generally recovers all of its prudently incurred purchased power costs, including hedging gains and losses, in accordance with rate provisions approved by the NJBPU. 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 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 for the year ended December 31, 2011 and 2010:

| Realized and Unrealized Gains/(Losses) on Commodity Derivatives(a) | | | |
|---|-----------------------------|---|---|
| (Thousands of Dollars) | Balance Sheet Location | Deferred for the Year Ended December 31, 2011 | Deferred for the Year Ended December 31, 2010 |
| Pre-tax (losses)/gains deferred in accordance with the accounting rules for regulated operations: | | | |
| Current | Deferred derivative losses | \$1,433 | \$2,493 |
| Current | Recoverable energy costs(b) | (43,392) | (36,608) |
| Long term | Regulatory assets | 2,590 | (2,553) |
| Total deferred losses | | \$(39,369) | \$(36,668) |

(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 \$11 million and \$32 million to Con Edison's competitive energy businesses for the years ended December 31, 2011 and 2010, respectively. See Note I.

As of December 31, 2011, the Company had 3 electric derivative contracts hedging electric energy or capacity market prices, which were considered to be derivatives under the accounting rules for derivatives and hedging (excluding

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qualifying derivative contracts, which have been designated as normal purchases or normal sales contracts). The following table presents the number of contracts by commodity type:

| Electric Derivatives | | | | |
|-------------------------------|---------|---------------------------------|---------|------------------------------|
| Number of Energy Contracts(a) | MWhs(b) | Number of Capacity Contracts(a) | MWhs(b) | Total Number of Contracts(a) |
| 2 | 264,062 | 1 | 769 | 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.

Volumes are reported net of long and short positions.

The collateral requirements associated with, and settlement of, derivative transactions are included in net cash flows from operating activities in the Company's statement of cash flows. The Company's derivative instrument contracts contain provisions that may require the Company to provide collateral on derivative instruments in net liability positions. RECO enters into separate derivative instruments for electric energy or capacity. The amount of collateral to be provided will depend on the fair value of the derivative instruments and RECO's credit ratings.

The aggregate fair value of all of the Company's derivative instruments with credit-risk-related contingent features that are in a net liability position, and collateral posted at December 31, 2011, and the additional collateral that would have been required to be posted had the Company's credit rating been reduced one level and to below investment grade were:

(Thousands of Dollars)

| | |
|---|---------|
| Aggregate fair value – net liabilities(a) | \$7,020 |
| Collateral posted(b) | - |
| Additional collateral(c) (downgrade one level from current rating(d)) | - |
| Additional collateral(c) (downgrade to below investment grade from current rating(d)) | 8,369 |

(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.

Across CECONY and O&R's (taken together, "the Utilities") energy derivative positions, credit limits for the same counterparties are generally integrated. At December 31, 2011, the Utilities posted combined collateral of \$58 million. The collateral posted that is attributable to RECO was zero.

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.

The current long-term ratings of RECO are A-/BBB+ by S&P and Fitch, 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.

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Future removal costs that do not represent legal asset retirement obligations are recorded as regulatory assets and liabilities pursuant to the rate plans afforded to regulated operations. The deferral of differences between the actual expense levels for removal costs and amounts reflected in rates were \$1.2 million and \$0.4 million in 2011 and 2010, respectively.

Note I – Related Party Transactions

A comparative summary of the significant intercompany transactions other than those relating to federal income taxes between the Company and the Parent for the periods ending December 31, 2011 and 2010 is as follows:

| (Thousands of Dollars) | 2011 | 2010 |
|------------------------|----------|----------|
| Purchased power | \$15,675 | \$17,099 |
| Rents paid | 2,945 | 2,677 |

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 periods ended December 31, 2011 and 2010, the cost of these services, including hedging costs, was \$15.7 million and \$17.1 million, respectively. 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. At December 31, 2011, there was a net receivable of \$0.4 million owed to the Company for these services. At December 31, 2010, the Company's net liability to the Parent was \$7.4 million for these services.

RECO purchased from Consolidated Edison Energy, Inc. \$11 million and \$32 million of electricity for the periods ended December 31, 2011 and 2010, respectively, pursuant to energy auctions. At December 31, 2011 and 2010, the Company's payable for these transactions was \$0.7 million and \$3.0 million, respectively.

At December 31, 2011, the Company's receivable from CECONY for an Economic Stimulus Grant was \$0.8 million. There was no receivable at December 31, 2010.

As of December 31, 2011 and 2010, the Company's payable to Con Edison for federal income tax was \$4.5 million and \$2.1 million, respectively.

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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 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 established 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.
- 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

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which quoted prices are available and internal models are used to determine a significant portion of the value.

The valuation technique used by the Company with regard to commodity derivatives and other assets that fall into either Level 2 or Level 3 is the market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities.

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2011 are summarized below.

| (Thousands of Dollars) | Level 1 | Level 2 | Level 3 | Total |
|-------------------------|---------|---------|---------|---------|
| Derivative Liabilities: | | | | |
| Commodity (1) | \$- | \$ - | \$7,020 | \$7,020 |
| Transfer In(2)(3) | - | 1,317 | - | 1,317 |
| Transfer Out(2)(3) | - | - | (1,317) | (1,317) |
| | \$- | \$1,317 | \$5,703 | \$7,020 |

- (1) A significant portion of the commodity 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 entire contract as Level 3. See Note G.
- (2) The Companies' policy is to recognize transfers into and transfers out of the levels at the end of the reporting period. Transferred from Level 3 to Level 2 because of availability of observable market data due to decrease in the terms of certain contracts from beyond one year as of December 31, 2010 to less than one year as of December 31, 2011.

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2010 are summarized below.

| (Thousands of Dollars) | Level 1 | Level 2 | Level 3 | Total |
|-------------------------|---------|---------|-------------|-------------|
| Derivative assets: | | | | |
| Commodity (1) | \$- | \$- | \$15 | \$15 |
| Derivative liabilities: | | | | |
| Commodity (1) | \$- | \$- | \$11,062(2) | \$11,062(2) |

- (1) A significant portion of the commodity 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 G.
- Includes derivative liabilities of \$3 million with Con Edison's competitive energy businesses. See Note I.

The table listed below provides a reconciliation of the beginning and ending net balances for assets and liabilities measured at fair value for the year ended December 31, 2011 and 2010 classified as Level 3 in the fair value hierarchy below.

| For the Year Ended December 31, 2011 | | | | | | | | Ending Balance as of December 31, 2011 |
|--------------------------------------|---|---------------------------|-----------|-----------|-------|-------------|------------------------|--|
| Beginning | Total Gains/(Losses) – Realized and Unrealized | | Purchases | Issuances | Sales | Settlements | Transfers in/Out of | |
| | Included in Earnings | Included in Regulatory | | | | | | |

| | | | |
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| (Millions of Dollars) | Assets and Liabilities | | | | | | Level 3 | | |
|-----------------------|------------------------|------------|---------|-----|-----|-----|----------|---------|-----------|
| Derivatives: | | | | | | | | | |
| Commodity | \$(11,047) | \$(15,390) | \$4,027 | \$- | \$- | \$- | \$15,390 | \$1,317 | \$(5,703) |

For the Year Ended December 31, 2010

| (Millions of Dollars) | Beginning | Total Gains/(Losses) – Realized and Unrealized | | Purchases | Issuances | Sales | Settlements | Transfers in/Out of Level 3 | Ending Balance as of December 31, 2010 |
|-----------------------|------------|---|---------|-----------|-----------|-------|-------------|-----------------------------------|--|
| Derivatives: | | | | | | | | | |
| Commodity | \$(10,669) | \$(33,987) | \$(378) | \$- | \$- | \$- | \$33,987 | \$- | \$(11,047) |

Realized gains and losses on Level 3 commodity 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 commodity derivatives are generally deferred on the consolidated balance sheet in accordance with the accounting rules for regulated operations.

The accounting rules for fair value measurements and disclosures require consideration of the impact of non-performance risk (including credit risk) from a market participant perspective in the measurement of the fair value of assets and liabilities. At December 31, 2011, the Company determined that non-performance risk would not have a material impact on their financial position or results of operations. To assess non-performance 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's (for an asset) or the Company's (for a liability) credit default swaps rates.

Note K – New Financial Accounting Standards

In May 2011, the Financial Accounting Standards Board (FASB) issued amendments to the guidance for fair value measurement through Accounting Standards Update (ASU) No. 2011-04, "Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs." The amendments expand Accounting Standards Codification 820's existing disclosure requirements for fair value measurements and makes other amendments. Many of these amendments were made to eliminate unnecessary wording differences between U.S. generally accepted accounting principles and International Financial Reporting Standards. For public entities, the amendments are effective prospectively during interim and annual periods beginning after December 15, 2011. The application of this guidance is not expected to have a material impact on the Company's financial position, results of operations and liquidity.

In September 2011, the FASB issued amendments to guidance for disclosures related to retirement benefits through ASU

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No. 2011-09, "Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80): Disclosures about an Employer's Participation in a Multiemployer Plan." The amendment provides guidance that requires employers to provide additional separate disclosures for multiemployer pension plans and multiemployer other postretirement benefit plans about the commitments an employer has made to a multiemployer plan and the potential future cash flow implication of participation in such a plan. For public entities, the amendments are effective for interim and annual periods ending after December 15, 2011. The application of this guidance is not expected to have a material impact on the Company's financial position, results of operations or liquidity.

In December 2011, the FASB issued amendments to guidance for disclosures related to balance sheet off-setting through ASU No. 2011-11, "Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities." The amendments provide guidance that requires a reporting entity to disclose certain quantitative information concerning financial and derivative instruments that are offset in the balance sheet and a description of the rights of setoff, including the nature of such rights, associated with recognized assets and liabilities that are subject to an enforceable master netting arrangement or similar agreement. For public companies, the amendments are effective for annual periods beginning on or after January 1, 2013 and retrospectively for all comparative periods presented. The application of this guidance is not expected to have a material impact on the Company's financial position, results of operations or 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) | 268,229,720 | 268,229,720 |
| 4 | Property Under Capital Leases | | |
| 5 | Plant Purchased or Sold | | |
| 6 | Completed Construction not Classified | | |
| 7 | Experimental Plant Unclassified | | |
| 8 | Total (3 thru 7) | 268,229,720 | 268,229,720 |
| 9 | Leased to Others | | |
| 10 | Held for Future Use | 2,254,741 | 2,254,741 |
| 11 | Construction Work in Progress | 8,483,175 | 8,483,175 |
| 12 | Acquisition Adjustments | | |
| 13 | Total Utility Plant (8 thru 12) | 278,967,636 | 278,967,636 |
| 14 | Accum Prov for Depr, Amort, & Depl | 65,163,099 | 65,163,099 |
| 15 | Net Utility Plant (13 less 14) | 213,804,537 | 213,804,537 |
| 16 | Detail of Accum Prov for Depr, Amort & Depl | | |
| 17 | In Service: | | |
| 18 | Depreciation | 65,163,099 | 65,163,099 |
| 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) | 65,163,099 | 65,163,099 |
| 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) | 65,163,099 | 65,163,099 |

Name of Respondent
Rockland Electric Company

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

Date of Report
(Mo, Da, Yr)
12/31/2011

Year/Period of Report
End of 2011/Q4

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

| Gas (d) | Other (Specify) (e) | Other (Specify) (f) | Other (Specify) (g) | Common (h) | Line No. |
|------------|------------------------|------------------------|------------------------|---------------|-------------|
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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

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(Mo, Da, Yr)
12/31/2011

Year/Period of Report
End of 2011/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 | 1,897,030 | 24,677 |
| 50 | (353) Station Equipment | 13,939,760 | 74,707 |
| 51 | (354) Towers and Fixtures | 637,072 | |
| 52 | (355) Poles and Fixtures | 3,473,235 | 238,962 |
| 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) | 27,778,014 | 338,346 |
| 59 | 4. DISTRIBUTION PLANT | | |
| 60 | (360) Land and Land Rights | 848,867 | |
| 61 | (361) Structures and Improvements | 3,605,412 | 111,246 |
| 62 | (362) Station Equipment | 38,721,902 | 256,881 |
| 63 | (363) Storage Battery Equipment | | |
| 64 | (364) Poles, Towers, and Fixtures | 31,339,717 | 2,615,116 |
| 65 | (365) Overhead Conductors and Devices | 39,018,386 | 3,072,034 |
| 66 | (366) Underground Conduit | 13,597,029 | 399,444 |
| 67 | (367) Underground Conductors and Devices | 39,601,995 | 1,928,072 |
| 68 | (368) Line Transformers | 28,650,187 | 448,215 |
| 69 | (369) Services | 17,797,303 | 547,709 |
| 70 | (370) Meters | 7,667,644 | 495,215 |
| 71 | (371) Installations on Customer Premises | 582,740 | |
| 72 | (372) Leased Property on Customer Premises | | |
| 73 | (373) Street Lighting and Signal Systems | 3,717,579 | 263,892 |
| 74 | (374) Asset Retirement Costs for Distribution Plant | | |
| 75 | TOTAL Distribution Plant (Enter Total of lines 60 thru 74) | 225,148,761 | 10,137,824 |
| 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 | 495,836 | 120,276 |
| 88 | (391) Office Furniture and Equipment | 157,644 | 78,507 |
| 89 | (392) Transportation Equipment | | |
| 90 | (393) Stores Equipment | 4,007 | |
| 91 | (394) Tools, Shop and Garage Equipment | 148,196 | 950 |
| 92 | (395) Laboratory Equipment | 26,286 | 47,525 |
| 93 | (396) Power Operated Equipment | | |
| 94 | (397) Communication Equipment | 2,798,383 | 43,225 |
| 95 | (398) Miscellaneous Equipment | 27,970 | 32,281 |
| 96 | SUBTOTAL (Enter Total of lines 86 thru 95) | 3,812,737 | 322,764 |
| 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) | 3,812,737 | 322,764 |
| 100 | TOTAL (Accounts 101 and 106) | 257,922,151 | 10,798,934 |
| 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) | 257,922,151 | 10,798,934 |

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 |
| 14,111 | | | 1,907,596 | 49 |
| | | | 14,014,467 | 50 |
| | | | 637,072 | 51 |
| | | | 3,712,197 | 52 |
| | | | 3,735,782 | 53 |
| | | | 1,116,729 | 54 |
| | | | 1,073,009 | 55 |
| | | | 76,751 | 56 |
| | | | | 57 |
| 14,111 | | | 28,102,249 | 58 |
| | | | | 59 |
| | | | 848,867 | 60 |
| 16,769 | | | 3,699,889 | 61 |
| 829 | -31,157 | | 38,946,797 | 62 |
| | | | | 63 |
| 198,969 | 29,708 | | 33,785,572 | 64 |
| 213,094 | -6,027 | | 41,871,299 | 65 |
| | | | 13,996,473 | 66 |
| 68,132 | | | 41,461,935 | 67 |
| 373,766 | 1,061,827 | | 29,786,463 | 68 |
| 12,519 | | | 18,332,493 | 69 |
| 227,619 | | | 7,935,240 | 70 |
| | | | 582,740 | 71 |
| | | | | 72 |
| 20,675 | -23,681 | | 3,937,115 | 73 |
| | | | | 74 |
| 1,132,372 | 1,030,670 | | 235,184,883 | 75 |
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| | | | 154,415 | 86 |
| 54,033 | 1,543 | | 563,622 | 87 |
| 58,882 | | | 177,269 | 88 |
| | | | | 89 |
| | | | 4,007 | 90 |
| | | | 149,146 | 91 |
| | | | 73,811 | 92 |
| | | | | 93 |
| 256,457 | -1,543 | | 2,583,608 | 94 |
| 6,179 | | | 54,072 | 95 |
| 375,551 | | | 3,759,950 | 96 |
| | | | | 97 |
| | | | | 98 |
| 375,551 | | | 3,759,950 | 99 |
| 1,522,034 | 1,030,670 | | 268,229,721 | 100 |
| | | | | 101 |
| | | | | 102 |
| | | | | 103 |
| 1,522,034 | 1,030,670 | | 268,229,721 | 104 |

Name of Respondent
Rockland Electric Company

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

Date of Report
(Mo, Da, Yr)
12/31/2011

Year/Period of Report
End of 2011/Q4

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 | 2015 | 41,660 |
| 4 | 4,002 Acres in Wyckoff for future Wyckoff Substation | 01/01/1975 | 2015 | 167,049 |
| 5 | 5.5 Acres for the future Summit Ave Substation | 12/31/2009 | 2017 | 2,046,032 |
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| 21 | Other Property: | | | |
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| 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 | Smart Grid - S.Mahwah S/SUpgrade | 2,112,545 |
| 2 | S.Grid D.A reclosers - eng portion | 1,461,040 |
| 3 | Smart Grid - DA reclosers - ops | 779,471 |
| 4 | Smart Grid _Mahwah u/g exits | 702,388 |
| 5 | Storm#8 - 10/31/,Const replc- NJ | 592,274 |
| 6 | PE- Transmission Lines 652,654, & 6 | 470,240 |
| 7 | Smart Grid-Communication equipment | 387,098 |
| 8 | Fardale Ave Conversion | 252,572 |
| 9 | Smart Grid-S.Mahwah O/H exits | 210,850 |
| 10 | Summit Ave Substation, Montvale | 197,451 |
| 11 | Stag Hill Microwave sit expansion | 148,278 |
| 12 | Upgrade of T/L 46 at the closter | 130,596 |
| 13 | Smart Grid- 138KV Tie @ S. Mahwah | 116,761 |
| 14 | Preliminary ENG T/L 45/658 Tower 2 | 104,393 |
| 15 | 54 Projects \$100,000 or less | 817,218 |
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| 42 | | |
| 43 | TOTAL | 8,483,175 |

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 | 64,079,690 | 64,079,690 | | |
| 2 | Depreciation Provisions for Year, Charged to | | | | |
| 3 | (403) Depreciation Expense | 3,970,685 | 3,970,685 | | |
| 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 | 15,016 | 15,016 | | |
| 8 | Other Accounts (Specify, details in footnote): | 11,129 | 11,129 | | |
| 9 | | | | | |
| 10 | TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9) | 3,996,830 | 3,996,830 | | |
| 11 | Net Charges for Plant Retired: | | | | |
| 12 | Book Cost of Plant Retired | 1,583,835 | 1,583,835 | | |
| 13 | Cost of Removal | 1,494,955 | 1,494,955 | | |
| 14 | Salvage (Credit) | 124,977 | 124,977 | | |
| 15 | TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14) | 2,953,813 | 2,953,813 | | |
| 16 | Other Debit or Cr. Items (Describe, details in footnote): | 40,392 | 40,392 | | |
| 17 | | | | | |
| 18 | Book Cost or Asset Retirement Costs Retired | | | | |
| 19 | Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18) | 65,163,099 | 65,163,099 | | |

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 | 6,507,869 | 6,507,869 | | |
| 26 | Distribution | 56,323,059 | 56,323,059 | | |
| 27 | Regional Transmission and Market Operation | 2,332,171 | 2,332,171 | | |
| 28 | General | | | | |
| 29 | TOTAL (Enter Total of lines 20 thru 28) | 65,163,099 | 65,163,099 | | |

| | | | |
|---------------------------|--|----------------------------|-----------------------|
| 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) 12/31/2011 | 2011/Q4 |
| FOOTNOTE DATA | | | |

Schedule Page: 219 Line No.: 8 Column: c

FOOTNOTES

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

(404) Amortization of Limited Electric Plant
 Amortization expense on Saddle River & Lethbridge Plaza \$ 11,129

(405) Amortization of Other Plant - Capitalized Software \$0.00

Amortization expense on computer software \$0.00

(421) Miscellaneous Non-Operating Income
 Depreciation expense on Plant-Held-For-Future Use \$0.00

\$11,129

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

Reserve related to intercompany sales of utility equipment \$ 40,392

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 |
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| 41 | | | | |
| 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. |
|---|-----------------------|---|--|----------|
| | | 231,500 | | 1 |
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| | | | | 41 |
| | | 231,500 | | 42 |

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) | 900,058 | 1,112,595 | |
| 6 | Assigned to - Operations and Maintenance | | | |
| 7 | Production Plant (Estimated) | | | |
| 8 | Transmission Plant (Estimated) | 239 | 5,845 | |
| 9 | Distribution Plant (Estimated) | 201,593 | 189,555 | Electric |
| 10 | Regional Transmission and Market Operation Plant (Estimated) | | | |
| 11 | Assigned to - Other (provide details in footnote) | 863,354 | 909,191 | |
| 12 | TOTAL Account 154 (Enter Total of lines 5 thru 11) | 1,965,244 | 2,217,186 | |
| 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) | 1,965,244 | 2,217,186 | |

| | | | |
|---|---|--|--|
| 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) 12/31/2011 | Year/Period of Report End of <u>2011/Q4</u> |
|---|---|--|--|

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. 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.
3. 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 | 14,411,038 | 18,605,194 | | 17,314,415 | 15,701,817 |
| 2 | CIAC - Electric SFAS 109 | 184,530 | | | | 184,530 |
| 3 | Other Assets Electric - SFAS 109 | 230,403 | 1,107,090 | | 1,430,244 | -92,751 |
| 4 | Pension Costs May - July 2003 Defer SFAS 87 | 81,471 | | | 35,302 | 46,169 |
| 5 | Pension Costs May - July 2003 Defer SFAS 106 | 18,269 | | | 7,830 | 10,439 |
| 6 | Post Employmnet Benefits - Electric SFAS 106 | 2,862,922 | | | 1,367,628 | 1,495,294 |
| 7 | Storm Reserve | 4,189,738 | 8,885,281 | | 1,162,038 | 11,912,981 |
| 8 | NJ Universal Service Fund | 535,360 | 3,243,171 | | 3,677,845 | 100,686 |
| 9 | NJ Audit of Competitive Services - Liberty | | | | | |
| 10 | NJ Audit of Competitive Services | 5,772 | | | 2,474 | 3,298 |
| 11 | Con Ed Merger Cost to Achieve - External | | | | | |
| 12 | Current Electric DSM Conservation Spending | | | | | |
| 13 | DSM Bidding Program | | | | | |
| 14 | System Benefit Charges | | | | | |
| 15 | Unrealized Hedging Losses | 6,601,306 | 52,406,642 | | 53,839,704 | 5,168,244 |
| 16 | NJ Retail Access Cuustomer Programs | | | | | |
| 17 | RECO Defer Electric Rate Cases Exp. - 2002 | 116,389 | | | 15,397 | 100,992 |
| 18 | RECO 2002 Defer Filing-- Larkin Audit Fees | | | | | |
| 19 | Ramapo Property Tax Over Refunds | 2,287 | | | 980 | 1,307 |
| 20 | Management Audit Expenditures - Electric | 402,736 | | | 121,494 | 281,242 |
| 21 | 1996 Electric Revenue Margin Recon. | 1,432 | | | 613 | 819 |
| 22 | Rockland Electric BGS/ECA Interest | 195,041 | 2,640 | | 228,991 | -31,310 |
| 23 | Deferred TBC - Tax | 19,578,431 | | | 1,584,671 | 17,993,760 |
| 24 | Deferred Electric Rate Case Expenses | | | | | |
| 25 | Unrealized Hedging Losses LT | 4,573,014 | 35,199,089 | | 37,789,442 | 1,982,661 |
| 26 | IRS Audit Recoveries - Electric | 39,678 | 250,986 | | 290,664 | |
| 27 | DSM Plan Preparation | | | | | |
| 28 | NJBPU Smart grid maintenance costs | 171,220 | 691,326 | | 223,245 | 639,301 |
| 29 | Regional greenhouse gas initiative | 11,367 | 757,428 | | 265,599 | 503,196 |
| 30 | Electric rate case expenses 2009/2010 | 149,143 | | | 62,500 | 86,643 |
| 31 | BGS Auction Fees Expense | | 52,844 | | 54,355 | -1,511 |
| 32 | PSE&G Price Adjustment | | 26,179 | | | 26,179 |
| 33 | | | | | | |
| 34 | | | | | | |
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| 43 | | | | | | |
| 44 | TOTAL : | 54,361,547 | 121,227,870 | | 119,475,431 | 56,113,986 |
| | | | | | | |

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 | | 201,722 | | | 201,722 |
| 2 | Other Deferred Debits | 80 | 1,570 | | | 1,650 |
| 3 | | | | | | |
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| 45 | | | | | | |
| 46 | | | | | | |
| 47 | Misc. Work in Progress | 1,441,599 | | | | 2,115,548 |
| 48 | Deferred Regulatory Comm. Expenses (See pages 350 - 351) | | | | | |
| 49 | TOTAL | 1,441,679 | | | | 2,318,920 |

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 | 2,386,719 | 1,963,294 |
| 3 | FASB 109 | 2,143,769 | 770,718 |
| 4 | Contribution in Aid of Construction | 1,451,434 | 1,505,330 |
| 5 | Unallowable Book Pension Expense | -360,911 | -2,622,046 |
| 6 | Post Employment Benefit FASB 106 | 6,748,599 | 7,721,841 |
| 7 | Other - See Footnote | -383,856 | -3,575,258 |
| 8 | TOTAL Electric (Enter Total of lines 2 thru 7) | 11,985,754 | 5,763,879 |
| 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) | 11,985,754 | 5,763,879 |

Notes

| | | | |
|---------------------------|--|----------------------------|-----------------------|
| 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) 12/31/2011 | 2011/Q4 |
| FOOTNOTE DATA | | | |

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

| ACCOUNT #190 | | BALANCE @ BEGINNING OF YEAR | BALANCE @ END OF YEAR |
|--|--------|-----------------------------------|-----------------------------|
| ELECTRIC | | | |
| ----- | | | |
| ACCUMULATED DEFERRED SIT-ELECTRIC | 190010 | 817,000 | 817,000 |
| ACCUMULATED DEFERRED SIT - NON DEDUCTIBLE | 190060 | (547,005) | (439,172) |
| ACCUM DEFF FIRT - SADDLE RIVER HOLDING COMPANY | 190115 | 0 | - |
| REGULATORY RESERVE | 190135 | 61,544 | (274,657) |
| REVENUE SUBJECT TO REFUND | 190150 | 249,200 | 226,561 |
| DEFERRED REVENUE MARGIN | 190185 | 52,144 | (2,739) |
| FIT SFAS 90 | 190190 | 270 | 270 |
| STOCK APPRECIATION RIGHTS | 190310 | 400,014 | 354,034 |
| STORM DAMAGE RESERVE | 190540 | (1,388,386) | (4,169,505) |
| RESERVE FOR MEDICAL INSURANCE | 190630 | (8,700) | (143) |
| ACCUMULATED DEFERRED FIT - CIAC-REFUNDABLE | 190911 | 19,224 | 10,055 |
| ACCUMULATED DEFERRED FIT-TRANSFORMER INSTALLATIONS | 190913 | (38,263) | (130,095) |
| DSM | 190916 | 0 | 33,687 |
| CUSTOMER ACCT SVC BILL CREDIT | 190941 | 0 | - |
| PROPERTY TAX REFUND | 190945 | (897) | (554) |
| | | - | - |
| | | (383,856) | (3,575,258) |
| | | = | = |

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 | 2,386,719 | 1,963,294 |
| 3 | FASB 109 | 2,143,769 | 770,718 |
| 4 | Contribution in Aid of Construction | 1,451,434 | 1,505,330 |
| 5 | Unallowable Book Pension Expense | -360,911 | -2,622,046 |
| 6 | Post Employment Benefit FASB 106 | 6,748,599 | 7,721,841 |
| 7 | Other - See Footnote | -383,856 | -3,575,258 |
| 8 | TOTAL Electric (Enter Total of lines 2 thru 7) | 11,985,754 | 5,763,879 |
| 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) | 11,985,754 | 5,763,879 |

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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| FOOTNOTE DATA | | | |

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

| ACCOUNT #190 | | BALANCE @ BEGINNING OF YEAR | BALANCE @ END OF YEAR |
|--|--------|-----------------------------------|-----------------------------|
| ELECTRIC | | | |
| ----- | | | |
| ACCUMULATED DEFERRED SIT-ELECTRIC | 190010 | 817,000 | 817,000 |
| ACCUMULATED DEFERRED SIT - NON DEDUCTIBLE | 190060 | (547,005) | (439,172) |
| ACCUM DEFF FIRT - SADDLE RIVER HOLDING COMPANY | 190115 | 0 | - |
| REGULATORY RESERVE | 190135 | 61,544 | (274,657) |
| REVENUE SUBJECT TO REFUND | 190150 | 249,200 | 226,561 |
| DEFERRED REVENUE MARGIN | 190185 | 52,144 | (2,739) |
| FIT SFAS 90 | 190190 | 270 | 270 |
| STOCK APPRECIATION RIGHTS | 190310 | 400,014 | 354,034 |
| STORM DAMAGE RESERVE | 190540 | (1,388,386) | (4,169,505) |
| RESERVE FOR MEDICAL INSURANCE | 190630 | (8,700) | (143) |
| ACCUMULATED DEFERRED FIT - CIAC-REFUNDABLE | 190911 | 19,224 | 10,055 |
| ACCUMULATED DEFERRED FIT-TRANSFORMER INSTALLATIONS | 190913 | (38,263) | (130,095) |
| DSM | 190916 | 0 | 33,687 |
| CUSTOMER ACCT SVC BILL CREDIT | 190941 | 0 | - |
| PROPERTY TAX REFUND | 190945 | (897) | (554) |
| | | - | - |
| | | (383,856) | (3,575,258) |
| | | = | = |

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 | | | | |
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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. |
|---|---------------|-----------------------------------|-------------|----------------------------|---------------|-------------|
| | | AS REACQUIRED STOCK (Account 217) | | IN SINKING AND OTHER FUNDS | | |
| Shares (e) | Amount (f) | Shares (g) | Cost (h) | Shares (i) | Amount (j) | |
| 112,000 | | 11,200,000 | | | | 1 |
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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) | 13,968,982 |
| 2 | | |
| 3 | | |
| 4 | Taxable Income Not Reported on Books | |
| 5 | | 263,223 |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | Deductions Recorded on Books Not Deducted for Return | |
| 10 | | 31,485,917 |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | Income Recorded on Books Not Included in Return | |
| 15 | | 214,555 |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | Deductions on Return Not Charged Against Book Income | |
| 20 | | 36,517,343 |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | Federal Tax Net Income | 8,986,224 |
| 28 | Show Computation of Tax: | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
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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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| FOOTNOTE DATA | | | |

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

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

| | |
|--------------------------------|-------------------|
| NET INCOME FOR THE YEAR | <u>Original</u> |
| | <u>13,968,982</u> |

**ADD: TAXABLE INCOME NOT REPORTED ON
BOOKS:**

| | | |
|---|---------|----------------|
| AVOIDED INTEREST CAPITALIZED | 124,235 | |
| CONTRIBUTIONS IN AID OF CONSTRUCTION | 138,989 | |
| | | <u>263,223</u> |

ADD: DEDUCTIONS PER BOOKS NOT DEDUCTED FOR RETURN:

| | | |
|--|-----------|--|
| FEDERAL INCOME TAX EXPENSE | 5,636,974 | |
| STATE INCOME TAX EXPENSE | 1,091,790 | |
| BGS/ECA UNDERCOLLECTION | 4,846,012 | |
| CONTRIBUTION CARRIED FORWARD | 81,966 | |
| CURRENT STATE TAXES NOT DEDUCTED | 101,638 | |
| DEFERRED FILING - LARKING AUDIT | 1,511 | |
| INCREASE IN FMV OF SERP | 22,455 | |
| INTEREST INCOME ON BGS UNDERCOLL. | 226,351 | |
| INTEREST ON IRS AUDIT ADJUSTMENTS | 378,346 | |
| MANAGEMENT STUDY AUDIT | 121,494 | |
| MEDICARE PART D SUBSIDY | 788,059 | |
| MEDICARE RESERVE FOR INSURANCE | 24,448 | |
| NJ AUDIT FOR COMPETITIVE SERVICES | 2,474 | |
| NJ SYSTEM RELIABILITY AUDIT | 613 | |
| POST EMPLOYMENT BENEFITS FSAB 106 - CAPITALIZED | 3,545,426 | |
| RATE CASE COST | 77,897 | |
| R&D RECONCILIATION | 9,870 | |
| RAMAPO PROPERTY TAXES | 980 | |
| REVENUE SUBJECT TO REFUND - TRANSFORMER | 912 | |

| | | | |
|---------------------------|--|----------------------------|-----------------------|
| 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) 12/31/2011 | 2011/Q4 |
| FOOTNOTE DATA | | | |

| | |
|---|-----------|
| SUPPLEMENTAL PENSION - NONQUALIFIED SYSTEM BENEFITS CHARGE | 85,762 |
| | 823,504 |
| TBC EXPENSE AMORT - SECURITIZATION TBC TAX - SECURITIZATION | 2,488,875 |
| | 1,584,671 |
| UNALLOWABLE BOOK PENSION COST UNALLOWABLE BUSINESS EXPENSE | 9,538,783 |
| | 5,107 |

31,485,917

**DEDU INCOME PER BOOKS NOT INCLUDED ON
CT: RETURN:**

| | |
|---|---------|
| ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION | 214,555 |
|---|---------|

214,555

**DEDU EXPENSE PER RETURN NOT CHARGED TO
CT: BOOKS:**

| | |
|--|-----------|
| BAD DEBTS | 241,671 |
| CHANGE OF ACCOUNTING SECTION 263A CIAC - TAX GROSS UP | 1,105,255 |
| | 26,197 |
| COST OF REMOVAL | 1,157,812 |
| DEFERRED SC7 REVENUE MARGIN DSM PROGRAM | 156,808 |
| | 59,205 |
| EXCESS TAX OVER BOOK DEPRECIATION GAIN ON MARK TO MARKET OF SECURITIES IRC 481a RETIREMENT | 9,573,436 |
| | 39,920 |
| | 3,455,807 |
| LOSS ON DISPOSITION OF PROPERTY OPEB FUNDING | 316,202 |
| | 764,736 |
| OTHER INTEREST EXPENSE | 41,019 |
| PENSION FUNDING | 8,256,707 |
| REPAIR ALLOWANCE | 1,752,456 |
| RESERVE FOR DEFERRED COSTS SMART GRID MAINTENANCE COSTS DEFERRAL STOCK PLANS | 960,574 |
| | 468,081 |
| | 97,587 |
| STORM DAMAGE RESERVE | |

| | | | |
|---------------------------|---|--|----------------------------------|
| 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) 12/31/2011 | Year/Period of Report 2011/Q4 |
| Rockland Electric Company | | | |
| FOOTNOTE DATA | | | |

| | |
|---------------------------------|-------------------------|
| TRANSFORMER INSTALLATION | 7,723,243 |
| WORKMEN'S COMPENSATION | 262,376 |
| | 58,252 |
| | <u>36,517,343</u> |
| TAXABLE INCOME OR (LOSS) | <u>8,986,224</u> |

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 | | | 3,127,780 | 3,323,280 | 238,778 |
| 3 | FICA | | | 1,777,408 | 1,777,408 | |
| 4 | Unemployment | | | 13,933 | 13,933 | |
| 5 | Increase in FMV serp sec | | | | | |
| 6 | Fin 48 uncertain income tax | -734,634 | | | | 734,634 |
| 7 | Unemployment - NJ | | | 31,187 | 31,187 | |
| 8 | - NY | | | 2,765 | 2,765 | |
| 9 | NJ Tefa Tax | 476,080 | | 6,313,806 | 6,313,806 | -350,845 |
| 10 | NJ Corporation Business Tax | 258,554 | 652,624 | 1,665,007 | 1,586,100 | -58,651 |
| 11 | NJ UTUA Sales | | 477,300 | | 539,201 | |
| 12 | Unemployment - PA | | | | | |
| 13 | Local | | | | | |
| 14 | Property Tax Recovered | | | 980 | | -980 |
| 15 | Real Property Taxes | | 49,078 | 545,699 | 545,009 | |
| 16 | IRS Audit Adj | | | | | |
| 17 | Payroll Tax Capitalized | | | -532,869 | 532,869 | |
| 18 | | | | | | |
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| 40 | | | | | | |
| 41 | TOTAL | | 1,179,002 | 12,945,696 | 14,665,558 | 562,936 |

Name of Respondent
Rockland Electric Company

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

Date of Report
(Mo, Da, Yr)
12/31/2011

Year/Period of Report
End of 2011/Q4

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than 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 (i) 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 |
| 43,278 | | 3,079,773 | | | 48,006 | 2 |
| | | 1,777,408 | | | | 3 |
| | | 13,933 | | | | 4 |
| | | | | | | 5 |
| | | | | | | 6 |
| | | 31,187 | | | | 7 |
| | | 2,765 | | | | 8 |
| 125,235 | | 6,313,806 | | | | 9 |
| 1,212,287 | 1,586,100 | 1,665,007 | | | | 10 |
| | 1,016,501 | | | | | 11 |
| | | | | | | 12 |
| | | | | | | 13 |
| | | 980 | | | | 14 |
| | 48,388 | 527,520 | | | 18,179 | 15 |
| | | | | | | 16 |
| | | -532,869 | | | | 17 |
| | | | | | | 18 |
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| 1,380,800 | 2,650,989 | 12,879,510 | | | 66,185 | 41 |

Name of Respondent
Rockland Electric Company

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

Date of Report
(Mo, Da, Yr)
12/31/2011

Year/Period of Report
End of 2011/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% | -5,464 | | | 411.4 | 6,014 | |
| 4 | 7% | -68,741 | | | 411.4 | 3,644 | 68,741 |
| 5 | 10% | 783,844 | | | 411.4 | 59,759 | -68,741 |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | TOTAL | 709,639 | | | | 69,417 | |
| 9 | Other (List separately and show 3%, 4%, 7%, 10% and TOTAL) | | | | | | |
| 10 | Other | | | | 411.4 | -79,585 | |
| 11 | | | | | | | |
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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 |
| -11,478 | | | 3 |
| -3,644 | | | 4 |
| 655,344 | | | 5 |
| | | | 6 |
| | | | 7 |
| 640,222 | | | 8 |
| | | | 9 |
| 79,585 | | | 10 |
| | | | 11 |
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| | | | |
|---------------------------|--|----------------------------|-----------------------|
| 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) 12/31/2011 | 2011/Q4 |
| FOOTNOTE DATA | | | |

Schedule Page: 266 Line No.: 10 Column: a

| | Deferred for Year | | | Alloc to Current Year's Income | | Adjustment | Bal End of Year |
|-------|-------------------|--------------|--------|--------------------------------|--------|------------|-----------------|
| | Bal Beg of Year | Acct Charged | Amount | Acct Charged | Amount | | |
| OTHER | - | - | - | - | - | - | - |
| - | | | | | | | |
| Other | 0 | | | 411.4 | 79,585 | | 79,585 |
| TOTAL | 0 | | 0 | | 79,585 | 0 | 79,585 |
| OTHER | - | | | | | | |

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 | Billed MSC/BGS over-recoveries | 1,147,549 | | 3,505,204 | 11,675,805 | 9,318,150 |
| 2 | Unbilled MSC/BGS over-recoveries | 4,957,196 | | 4,847,695 | 3,781,149 | 3,890,650 |
| 3 | Unpostable cash receipt | | | 4,520 | 1,940 | -2,580 |
| 4 | Unilled ECA over-recoveries | 343,091 | | 343,091 | | |
| 5 | Unbilled SC7 BGS over-recoveries | 95,122 | | 284,152 | 206,579 | 17,549 |
| 6 | Reserve for deferred costs | 1,133,807 | | 960,735 | 161 | 173,233 |
| 7 | Neighbor fund | 2,601 | | 17,203 | 15,834 | 1,232 |
| 8 | Unpostable customer payments | | | | | |
| 9 | Billed SC7 BGS over-recoveries | 1,069,661 | | 857,530 | 206,620 | 418,751 |
| 10 | RMR with SC7 over-recoveries | 521,681 | | 614,595 | 92,914 | |
| 11 | RMR w/o SC7 over-recoveries | 64,734 | | 15,243 | 13,061 | 62,552 |
| 12 | | | | | | |
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| 46 | | | | | | |
| 47 | TOTAL | 9,335,442 | | 11,449,968 | 15,994,063 | 13,879,537 |

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 | 36,324,265 | 4,833,018 | 1,088,656 |
| 3 | Gas | | | |
| 4 | | | | |
| 5 | TOTAL (Enter Total of lines 2 thru 4) | 36,324,265 | 4,833,018 | 1,088,656 |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | TOTAL Account 282 (Enter Total of lines 5 thru 8) | 36,324,265 | 4,833,018 | 1,088,656 |
| 10 | Classification of TOTAL | | | |
| 11 | Federal Income Tax | | | |
| 12 | State Income Tax | | | |
| 13 | Local Income Tax | | | |

NOTES

Name of Respondent

Rockland Electric Company

This Report Is:

(1) An Original

(2) A Resubmission

Date of Report

(Mo, Da, Yr)

12/31/2011

Year/Period of Report

End of 2011/Q4

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 |
| | | 182 & 283 | 17,661,613 | 182 | 16,446,650 | 38,853,664 | 2 |
| | | | | | | | 3 |
| | | | | | | | 4 |
| | | | 17,661,613 | | 16,446,650 | 38,853,664 | 5 |
| | | | | | | | 6 |
| | | | | | | | 7 |
| | | | | | | | 8 |
| | | | 17,661,613 | | 16,446,650 | 38,853,664 | 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 | 21,705,096 | | 1,843,902 |
| 4 | Section 263A | 10,944,418 | 111,592 | |
| 5 | Fasb 109 | 6,131,899 | | |
| 6 | Conservation Program | 52,717 | 26,212 | 5,490 |
| 7 | NJ Corporation Business Tax | -2,554,271 | 7,414 | 138,772 |
| 8 | Other - See Footnote | 6,795,756 | 4,468,615 | 5,041,266 |
| 9 | TOTAL Electric (Total of lines 3 thru 8) | 43,075,615 | 4,613,833 | 7,029,430 |
| 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) | 43,075,615 | 4,613,833 | 7,029,430 |
| 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 | 205,937 | 20,067,131 | 3 |
| | | | | | | 11,056,010 | 4 |
| | | 182,282, | 4,148,217 | 182,282, | 6,142,543 | 8,126,225 | 5 |
| | | | | | | 73,439 | 6 |
| | | 283 | 2,364,352 | 283 | 4,728,705 | -321,276 | 7 |
| -38,508 | 34,601 | | 5,801,229 | | 4,357,999 | 4,706,766 | 8 |
| -38,508 | 34,601 | | 12,313,798 | | 15,435,184 | 43,708,295 | 9 |
| | | | | | | | 10 |
| | | | | | | | 11 |
| | | | | | | | 12 |
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| | | | | | | | 15 |
| | | | | | | | 16 |
| | | | | | | | 17 |
| | | | | | | | 18 |
| -38,508 | 34,601 | | 12,313,798 | | 15,435,184 | 43,708,295 | 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) 12/31/2011 | 2011/Q4 |
| FOOTNOTE DATA | | | |

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

| | BALANCE @ BEGINNING OF YEAR | (DR) ACCOUNT 410.1 | (CR) ACCOUNT 411.1 | (DR) ACCOUNT 410.2 | (CR) ACCOUNT 411.2 | DEBIT - ACCO UNT | DEBIT - AMOUNT | CREDIT - ACCOU NT | CREDIT - AMOUNT | BALANCE @ END OF YEAR |
|-----------------------|-----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|----------------------|------------------------------------|-----------------------|-----------------------------|
| ELECTRIC | | | | | | | | | | |
| ELECTRIC | | | | | | | | | | |
| COST OF REMOVAL | 283000 | 830,843 | 516,582 | 466,376 | | | | | | 881,049 |
| ACCUM DEFERRED FIT- | 283017 | 11,050 | 22,742 | 22,742 | | 234* | 11,050 | | | 0 |
| MTA MOBILITY TAX | | | | | | | | | | |
| ACCUM DEF FIT - SMART | 283030 | 59,927 | 163,828 | | | | | | | 223,755 |
| GRID MAINTENANCE | | | | | | | | | | |
| COST DEFERRAL | | | | | | | | | | |
| DEFERRED FUEL COST | 283050 | | | | | | | | | - |
| NJ RETAIL | 283090 | | | | | | | | | - |
| ACCESS/OTHER | | | | | | | | | | |
| RETAIL ACCESS | 283100 | - | | | | | | | | - |
| ACCUM DEF FIT - SERP | 283130 | (179,844) | 629,594 | 38,432 | 32,319 | 283* | 449,750 | | | 6,113 |
| FIN 48 SSCM - FIT | 283141 | - | | | | | | | | - |
| FIN 48 SSCM - SIT | 283142 | - | | | | | | | | - |
| FIN 48 SSCM - FIT | 283143 | 105,410 | | (319,468) | | | | 283* & 409* | 2,331 | 427,208 |
| FIN 48 SSCM - SIT | 283144 | 27,104 | | (5,098) | | 283* | 188,906 | 283* & 411.8* | 96,856 | (59,847) |
| ACCUM DEF FIT - MISC | 283150 | (693,144) | 1,244,378 | 634,110 | | 190* & 283* | 19,575 | 236* & 282* & 283* & 409* | 796,977 | 694,526 |
| ACCUM DEF SIT NYS | 283170 | | 350,874 | 2,853 | | 283* | 48,411 | | | 299,610 |
| INCOME TAX | | | | | | | | | | |
| RATE CASE COSTS | 283210 | 93,069 | | 27,264 | | | | | | 65,805 |
| DEFERRAL AUDIT | 283215 | (22) | | 529 | | | | | | (551) |
| COSTS | | | | | | | | | | |
| NJ SYSTEM RELIABILITY | 283225 | (33,077) | | 215 | | | | | | (33,292) |
| AUDIT | | | | | | | | | | |
| R&D EXPENDITURES | 283230 | 3,662 | | 3,455 | | | | | | 208 |
| ABANDONMENT LOSS - | 283241/ | - | | | | | | | | - |
| STERLING | 240 | | | | | | | | | |
| MANAGEMENT AUDIT | 283430 | 140,895 | | 42,523 | | | | | | 98,372 |
| NJ AUDIT OF | 283435 | (7,022) | | 866 | | | | | | (7,888) |
| COMPETITIVE SVCS | | | | | | | | | | |
| REVENUE TAX | 283450 | (344,200) | | | | | | | | (344,200) |
| DEDUCTION | | | | | | | | | | |
| ACCU DEF SIT - NON | 283501 | (328,000) | | | | | | | | (328,000) |
| DEDUCTIBLE | | | | | | | | | | |
| COMPUTER SOFTWARE | 283550 | (2,903) | | | | | | | | (2,903) |
| CIMS | | | | | | | | | | |
| ACCUM DEF FIT-SFAS | 283605 | 3,796,000 | 797,290 | 855,000 | | 190* & 283* | 13,972 | 234* | 363,366 | 4,087,684 |
| 106 POST EMPLOYMENT | | | | | | | | | | |
| BENEFITS (OPEB) | | | | | | | | | | |
| INSURANCE | 283630 | | | | | | | | | - |
| RECONCILIATION | | | | | | | | | | |
| BOND REDEMPTION | 283640 | | | | | | | | | - |
| COST | | | | | | | | | | |
| PROPERTY TAX | 283645 | | | | | | | | | - |
| REFUND | | | | | | | | | | |
| ACCUM DEF FIT SYSTEM | 283650 | 115,366 | (269,940) | 18,286 | | | | | | (172,860) |
| BENEFIT CHARGE | | | | | | | | | | |
| CONTRACT | 283660 | 149,858 | | 418,160 | | | | 283* | 268,302 | - |
| TERMINATION COST IPP | | | | | | | | | | |
| ENVIRONMENTAL | 283670 | 21,800 | | | | | | | | 21,800 |
| RESERVE | | | | | | | | | | |
| CONTRACT | 283680 | | | | | | | | | - |

| | | | | |
|---------------------------|--|--|----------------------------|-----------------------|
| 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) 12/31/2011 | 2011/Q4 |
| FOOTNOTE DATA | | | | |

| | | | | | | | | | |
|--|------------------|-------------|-----------|-----------|----------|------------|-----------|----------------|-----------------------|
| TERMINATION COST PITSTON | | | | | | | | | |
| ACCUM DEFERRED FIT | 283690 | 306,313 | | 132,421 | | | | | 173,892 |
| IRS INTEREST COST TO ACHIEVE MERGER | 283750 | | | | | | | | - |
| CORPORATE RESTRUCTURING | 283770 | | | | | | | | - |
| BGS/ECA UNDERCOLLECTIONS | 283780 | (1,257,741) | 1,760 | 2,114,265 | | 283* | 4,728,704 | 283* | 2,726,433 (5,372,517) |
| BGS/ECA CARRYING CHARGES | 283781 | 118,789 | | | (76,940) | 2,282 283* | 50,722 | | (11,154) |
| PJM STARTUP COSTS NJ CORPORATION | 283790 283800 | | | | | | | | - 5,241,652 |
| BUSINESS TAX ACCUM DEF SIT - ELECTRIC | 283810 | (691,224) | (104,295) | 105,313 | | 283* | 290,138 | 236* & 409* | 103,734 (1,077,452) |
| STONE & WEBSTER STUDY | 283815 | 33,700 | | | | | | | 33,700 |
| ACCUM DEF SIT - GAS PLANT IN SERVICE - N.U. | 283820 283900 | (128,159) | 5,848 | 5,848 | | | | | (128,159) - |
| RESTRICTED STOCK VALUATION ALLOWANCE | 283925 | | | | | | | | - |
| | | - | - | - | - | - | - | - | - |
| | | 6,795,756 | 4,468,615 | 5,041,266 | (38,508) | 34,601 | 5,801,229 | | 4,357,999 4,706,766 |
| | | = | = | = | = | = | = | = | = |

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 | Transformer installations | 612,211 | | 262,376 | | 349,835 |
| 2 | USF true-up | 220,866 | | 215,355 | 257,015 | 262,526 |
| 3 | SBC true-up | (550,485) | | 76,089 | 857,932 | 231,358 |
| 4 | CIAC tax gross up | 57,421 | | | 18,128 | 75,549 |
| 5 | SFAS 109 - Electric | 1,889,812 | | 2,783,432 | 1,404,365 | 510,745 |
| 6 | ITC - SFAS 109 - Electric | 253,957 | | 549,355 | 555,371 | 259,973 |
| 7 | SC7 retail margin deferral | 149,283 | | 247,643 | 90,836 | -7,524 |
| 8 | SC7 default supply | | | | | |
| 9 | Customer refunds | | | 51,248 | 52,160 | 912 |
| 10 | Nextera Energy power marketing | | | | | |
| 11 | Unrealized hedging gains | (1) | | | | -1 |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
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| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | TOTAL | 2,633,064 | | 4,185,498 | 3,235,807 | 1,683,373 |

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 | 125,002,098 | 135,419,214 |
| 3 | (442) Commercial and Industrial Sales | | |
| 4 | Small (or Comm.) (See Instr. 4) | 80,306,898 | 94,311,515 |
| 5 | Large (or Ind.) (See Instr. 4) | 3,453,637 | 4,346,713 |
| 6 | (444) Public Street and Highway Lighting | 1,065,490 | 1,254,745 |
| 7 | (445) Other Sales to Public Authorities | | |
| 8 | (446) Sales to Railroads and Railways | | |
| 9 | (448) Interdepartmental Sales | | |
| 10 | TOTAL Sales to Ultimate Consumers | 209,828,123 | 235,332,187 |
| 11 | (447) Sales for Resale | | |
| 12 | TOTAL Sales of Electricity | 209,828,123 | 235,332,187 |
| 13 | (Less) (449.1) Provision for Rate Refunds | -262,376 | -174,917 |
| 14 | TOTAL Revenues Net of Prov. for Refunds | 210,090,499 | 235,507,104 |
| 15 | Other Operating Revenues | | |
| 16 | (450) Forfeited Discounts | | |
| 17 | (451) Miscellaneous Service Revenues | 24,139 | 13,617 |
| 18 | (453) Sales of Water and Water Power | | |
| 19 | (454) Rent from Electric Property | 274,311 | 239,123 |
| 20 | (455) Interdepartmental Rents | | |
| 21 | (456) Other Electric Revenues | -6,803,525 | -8,595,176 |
| 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 | -6,505,075 | -8,342,436 |
| 27 | TOTAL Electric Operating Revenues | 203,585,424 | 227,164,668 |

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 |
| 758,680 | 774,596 | 63,235 | 63,217 | 2 |
| | | | | 3 |
| 863,722 | 859,724 | 9,114 | 9,083 | 4 |
| 36,622 | 37,660 | 97 | 110 | 5 |
| 6,428 | 6,689 | 27 | 27 | 6 |
| | | | | 7 |
| | | | | 8 |
| | | | | 9 |
| 1,665,452 | 1,678,669 | 72,473 | 72,437 | 10 |
| | | | | 11 |
| 1,665,452 | 1,678,669 | 72,473 | 72,437 | 12 |
| | | | | 13 |
| 1,665,452 | 1,678,669 | 72,473 | 72,437 | 14 |

Line 12, column (b) includes \$ -1,305,705 of unbilled revenues.
 Line 12, column (d) includes 2,102 MWH relating to unbilled revenues

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 | 718,377 | 123,098,029 | 60,530 | 11,868 | 0.1714 |
| 2 | Time of Day | 262 | 37,446 | 17 | 15,412 | 0.1429 |
| 3 | Retail Access | 40,407 | 2,245,160 | 2,688 | 15,032 | 0.0556 |
| 4 | Total Residential | 759,046 | 125,380,635 | 63,235 | 12,004 | 0.1652 |
| 5 | | | | | | |
| 6 | Commercial: | | | | | |
| 7 | General | 352,545 | 57,031,755 | 7,169 | 49,176 | 0.1618 |
| 8 | Dawn to Dusk | 3,173 | 564,574 | 656 | 4,837 | 0.1779 |
| 9 | Time of Day | 18,504 | 1,960,088 | 21 | 881,143 | 0.1059 |
| 10 | Retail Access | 490,599 | 21,588,922 | 1,268 | 386,908 | 0.0440 |
| 11 | Total Commercial | 864,821 | 81,145,339 | 9,114 | 94,889 | 0.0938 |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | Industrial: | | | | | |
| 15 | General | 20,921 | 2,533,262 | 85 | 246,129 | 0.1211 |
| 16 | Time of Day | 3,854 | 420,457 | 2 | 1,927,000 | 0.1091 |
| 17 | Retail Access | 12,484 | 588,644 | 10 | 1,248,400 | 0.0472 |
| 18 | Total Industrial | 37,259 | 3,542,363 | 97 | 384,113 | 0.0951 |
| 19 | | | | | | |
| 20 | Public Street & Highway Light: | | | | | |
| 21 | Municipal | 3,180 | 646,345 | 19 | 167,368 | 0.2033 |
| 22 | Retail Access | 3,248 | 419,146 | 8 | 406,000 | 0.1290 |
| 23 | Total Public Street & Hwy Light | 6,428 | 1,065,491 | 27 | 238,074 | 0.1658 |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
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| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | TOTAL Billed | 1,667,554 | 211,133,828 | 72,473 | 23,009 | 0.1266 |
| 42 | Total Unbilled Rev.(See Instr. 6) | -2,102 | -1,305,705 | 0 | 0 | 0.6212 |
| 43 | TOTAL | 1,665,452 | 209,828,123 | 72,473 | 22,980 | 0.1260 |

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser 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 purchaser.

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 projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term 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 which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm 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 designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

| 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 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
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| 14 | | | | | | |
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| | | | | | | |
| | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |

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 | 117,414,822 | 143,117,824 |
| 77 | (556) System Control and Load Dispatching | 57,007 | |
| 78 | (557) Other Expenses | | |
| 79 | TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78) | 117,471,829 | 143,117,824 |
| 80 | TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79) | 117,471,829 | 143,117,824 |
| 81 | 2. TRANSMISSION EXPENSES | | |
| 82 | Operation | | |
| 83 | (560) Operation Supervision and Engineering | 393,228 | 248,890 |
| 84 | (561) Load Dispatching | | |
| 85 | (561.1) Load Dispatch-Reliability | 30,322 | 25,129 |
| 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 | 272,705 | 315,729 |
| 94 | (563) Overhead Lines Expenses | 72,797 | 46,635 |
| 95 | (564) Underground Lines Expenses | | |
| 96 | (565) Transmission of Electricity by Others | | |
| 97 | (566) Miscellaneous Transmission Expenses | 82,106 | 91,377 |
| 98 | (567) Rents | 119,641 | 180,964 |
| 99 | TOTAL Operation (Enter Total of lines 83 thru 98) | 970,799 | 908,724 |
| 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 | 121,777 | 16,943 |
| 108 | (571) Maintenance of Overhead Lines | 40,847 | 46,605 |
| 109 | (572) Maintenance of Underground Lines | 72,225 | 338,073 |
| 110 | (573) Maintenance of Miscellaneous Transmission Plant | 214,221 | 159,488 |
| 111 | TOTAL Maintenance (Total of lines 101 thru 110) | 449,070 | 561,109 |
| 112 | TOTAL Transmission Expenses (Total of lines 99 and 111) | 1,419,869 | 1,469,833 |

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 | 3. REGIONAL MARKET EXPENSES | | |
| 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 | 4. DISTRIBUTION EXPENSES | | |
| 133 | Operation | | |
| 134 | (580) Operation Supervision and Engineering | 1,380,982 | 1,196,517 |
| 135 | (581) Load Dispatching | | |
| 136 | (582) Station Expenses | 257,986 | 360,314 |
| 137 | (583) Overhead Line Expenses | 212,697 | 115,722 |
| 138 | (584) Underground Line Expenses | 97,261 | 89,305 |
| 139 | (585) Street Lighting and Signal System Expenses | | |
| 140 | (586) Meter Expenses | 68,205 | 191,470 |
| 141 | (587) Customer Installations Expenses | 1,636 | 462 |
| 142 | (588) Miscellaneous Expenses | 417,214 | 336,940 |
| 143 | (589) Rents | 8,554 | 25,808 |
| 144 | TOTAL Operation (Enter Total of lines 134 thru 143) | 2,444,535 | 2,316,538 |
| 145 | Maintenance | | |
| 146 | (590) Maintenance Supervision and Engineering | | |
| 147 | (591) Maintenance of Structures | | |
| 148 | (592) Maintenance of Station Equipment | 3,477 | 10,990 |
| 149 | (593) Maintenance of Overhead Lines | 4,918,287 | 5,584,613 |
| 150 | (594) Maintenance of Underground Lines | 502,397 | 559,661 |
| 151 | (595) Maintenance of Line Transformers | | 765 |
| 152 | (596) Maintenance of Street Lighting and Signal Systems | 363,900 | 359,396 |
| 153 | (597) Maintenance of Meters | 49,782 | 36,796 |
| 154 | (598) Maintenance of Miscellaneous Distribution Plant | 1,166,901 | 1,050,246 |
| 155 | TOTAL Maintenance (Total of lines 146 thru 154) | 7,004,744 | 7,602,467 |
| 156 | TOTAL Distribution Expenses (Total of lines 144 and 155) | 9,449,279 | 9,919,005 |
| 157 | 5. CUSTOMER ACCOUNTS EXPENSES | | |
| 158 | Operation | | |
| 159 | (901) Supervision | 4,328 | 2,824 |
| 160 | (902) Meter Reading Expenses | 883,868 | 882,327 |
| 161 | (903) Customer Records and Collection Expenses | 2,626,144 | 2,649,743 |
| 162 | (904) Uncollectible Accounts | 373,553 | 755,530 |
| 163 | (905) Miscellaneous Customer Accounts Expenses | 968,920 | 612,165 |
| 164 | TOTAL Customer Accounts Expenses (Total of lines 159 thru 163) | 4,856,813 | 4,902,589 |

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 | 6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES | | |
| 166 | Operation | | |
| 167 | (907) Supervision | 171,196 | 163,934 |
| 168 | (908) Customer Assistance Expenses | 10,058,684 | 9,181,786 |
| 169 | (909) Informational and Instructional Expenses | | |
| 170 | (910) Miscellaneous Customer Service and Informational Expenses | | 131,946 |
| 171 | TOTAL Customer Service and Information Expenses (Total 167 thru 170) | 10,229,880 | 9,477,666 |
| 172 | 7. SALES EXPENSES | | |
| 173 | Operation | | |
| 174 | (911) Supervision | | |
| 175 | (912) Demonstrating and Selling Expenses | 912 | |
| 176 | (913) Advertising Expenses | 32,128 | 711 |
| 177 | (916) Miscellaneous Sales Expenses | 4 | |
| 178 | TOTAL Sales Expenses (Enter Total of lines 174 thru 177) | 33,044 | 711 |
| 179 | 8. ADMINISTRATIVE AND GENERAL EXPENSES | | |
| 180 | Operation | | |
| 181 | (920) Administrative and General Salaries | 3,171,818 | 2,727,859 |
| 182 | (921) Office Supplies and Expenses | 1,314,932 | 1,029,354 |
| 183 | (Less) (922) Administrative Expenses Transferred-Credit | -2,619,471 | -2,782,242 |
| 184 | (923) Outside Services Employed | 542,977 | 425,739 |
| 185 | (924) Property Insurance | 66,592 | 62,832 |
| 186 | (925) Injuries and Damages | 476,828 | 429,380 |
| 187 | (926) Employee Pensions and Benefits | 14,911,575 | 12,251,432 |
| 188 | (927) Franchise Requirements | | |
| 189 | (928) Regulatory Commission Expenses | 651,363 | 528,744 |
| 190 | (929) (Less) Duplicate Charges-Cr. | 43,299 | 63,062 |
| 191 | (930.1) General Advertising Expenses | 238,877 | 342,330 |
| 192 | (930.2) Miscellaneous General Expenses | 39,662 | -671,729 |
| 193 | (931) Rents | 1,249,113 | 1,501,047 |
| 194 | TOTAL Operation (Enter Total of lines 181 thru 193) | 25,239,909 | 21,346,168 |
| 195 | Maintenance | | |
| 196 | (935) Maintenance of General Plant | 188,035 | 158,818 |
| 197 | TOTAL Administrative & General Expenses (Total of lines 194 and 196) | 25,427,944 | 21,504,986 |
| 198 | TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197) | 168,888,658 | 190,392,614 |

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 | Shell | | | | | |
| 13 | NYISO | | | | | |
| 14 | Sharp | | | | | |
| | Total | | | | | |

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) | |
| | | | | 15,675,329 | | 15,675,329 | 1 |
| 90,700 | | | | 10,647,265 | | 10,647,265 | 2 |
| 274,109 | | | | 28,118,563 | | 28,118,563 | 3 |
| | | | | | | | 4 |
| | | | | | | | 5 |
| 13,017 | | | | 20,108 | | 20,108 | 6 |
| 90,700 | | | | 414,953 | | 414,953 | 7 |
| | | | | 5,276,961 | | 5,276,961 | 8 |
| | | | | 1,155,985 | | 1,155,985 | 9 |
| 492,483 | | | | 53,693,026 | | 53,693,026 | 10 |
| 1,272 | | | | 136,123 | | 136,123 | 11 |
| | | | | 1,565,423 | | 1,565,423 | 12 |
| | | | | 280,551 | | 280,551 | 13 |
| 678 | | | | 430,535 | | 430,535 | 14 |
| 962,959 | | | | 117,414,822 | | 117,414,822 | |

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 | Restricted Stock Program | 648,039 |
| 7 | Company Stock Discount | 44,625 |
| 8 | Prior Period Adjustment | -818,053 |
| 9 | Other | 165,051 |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
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| 43 | | |
| 44 | | |
| 45 | | |
| 46 | TOTAL | 39,662 |

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 | | | | | |
| 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 | 306,444 | | | | 306,444 |
| 8 | Distribution Plant | 3,641,489 | | | | 3,641,489 |
| 9 | Regional Transmission and Market Operation | | | | | |
| 10 | General Plant | 22,752 | | 11,129 | | 33,881 |
| 11 | Common Plant-Electric | | | | | |
| 12 | TOTAL | 3,970,685 | | 11,129 | | 3,981,814 |

B. Basis for Amortization Charges

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 | 1,899 | 50.00 | | 2.00 | h2.0 | 39.00 |
| 14 | 353 | 13,943 | 35.00 | | 2.86 | h1.5 | 24.00 |
| 15 | 354 | 637 | 60.00 | | 1.67 | h3.0 | 21.00 |
| 16 | 355 | 2,630 | 50.00 | | 2.00 | h3.0 | 33.00 |
| 17 | 355 | 916 | 50.00 | | 2.00 | h3.0 | 38.00 |
| 18 | 356 | 3,338 | 60.00 | | 1.67 | h2.0 | 43.00 |
| 19 | 356 | 398 | 60.00 | | 1.67 | h2.0 | 42.00 |
| 20 | 357 | 1,117 | 50.00 | | 2.00 | h2.0 | 43.00 |
| 21 | 358 | 1,073 | 30.00 | | 3.33 | h3.5 | 21.00 |
| 22 | 359 | 77 | 60.00 | | 1.67 | h3.0 | 30.00 |
| 23 | Subtotal | 26,028 | | | | | |
| 24 | 361 | 3,648 | 55.00 | | 1.82 | h2.75 | 41.00 |
| 25 | 362 | 38,876 | 40.00 | | 2.50 | h1.5 | 30.00 |
| 26 | 364 | 32,552 | 55.00 | | 1.82 | h1.5 | 45.00 |
| 27 | 365 | 39,533 | 65.00 | | 1.54 | h1.5 | 54.00 |
| 28 | 365.1 | 966 | 30.00 | | 3.33 | h2.0 | 21.00 |
| 29 | 366 | 13,905 | 65.00 | | 1.54 | 2.00 | 50.00 |
| 30 | 367 | 41,048 | 65.00 | | 1.54 | h2.50 | 53.00 |
| 31 | 368 | 29,113 | 45.00 | | 2.22 | h1.0 | 36.00 |
| 32 | 369.1 | 5,134 | 55.00 | | 1.82 | h3.00 | 32.00 |
| 33 | 369.2 | 12,890 | 60.00 | | 1.67 | h3.50 | 43.00 |
| 34 | 370.1 | 3,156 | 35.00 | | 2.86 | h1.0 | 25.00 |
| 35 | 370.11 | 1,408 | 20.00 | | 5.00 | h1.0 | 17.00 |
| 36 | 370.2 | 1,556 | 35.00 | | 2.86 | h1.0 | 25.00 |
| 37 | 370.21 | 1,595 | 20.00 | | 5.00 | h1.0 | 18.00 |
| 38 | 371 | 583 | 50.00 | | 2.00 | h2.0 | 41.00 |
| 39 | 373 | 3,803 | 40.00 | | 2.50 | h1.0 | 29.00 |
| 40 | SUBTOTAL | 229,766 | | | | | |
| 41 | | | | | | | |
| 42 | | | | | | | |
| 43 | 390 | 511 | 50.00 | | 2.00 | h1.0 | 35.00 |
| 44 | 391.1 | 18 | 20.00 | | 5.00 | h1.0 | 13.00 |
| 45 | 391.2 | 1 | 15.00 | | 6.67 | h0.5 | 10.00 |
| 46 | | | | | | | |
| 47 | 393 | 4 | 20.00 | | 5.00 | h2.0 | 10.00 |
| 48 | 394 | 53 | 20.00 | | 5.00 | h1.5 | 14.00 |
| 49 | 394.2 | 95 | 30.00 | | 3.33 | h2.0 | 18.00 |
| 50 | 395 | 72 | 25.00 | | 4.00 | h2.0 | 21.00 |

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 | 2,522 | 15.00 | | 6.67 | h1.5 | 11.00 |
| 13 | 397.1 | 68 | 8.00 | | 12.50 | h1.5 | 6.00 |
| 14 | 397.2 | 27 | 15.00 | | 6.67 | h1.5 | 15.00 |
| 15 | 398 | 24 | 20.00 | | 5.00 | h1.5 | 16.00 |
| 16 | SUBTOTAL | 3,395 | | | | | |
| 17 | | | | | | | |
| 18 | 303 | | | | | | |
| 19 | TOTAL | 259,189 | | | | | |
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|---------------------------|--|----------------------------|-----------------------|
| 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) 12/31/2011 | 2011/Q4 |
| FOOTNOTE DATA | | | |

Schedule Page: 336.1 Line No.: 22 Column: a

- 15 365.1 Overhead Conductor & Devices -
Capacitors
- 16 369.1 Services - Overhead
- 17 369.2 Services - Underground
- 18 370.1 Meters - Electro Mechanical
- 19 370.11 Meter - Solid State
- 20 370.2 Meter installations - Electro mechanical
- 21 370.21 Meter installations - Solid State
- 22 373.10 Street Lights-OH
- 23 373.20 Street Lights-UG
- 24 391.1 Electric Plant in Service - General Plant - Office Furn/Equip - Furniture
- 25 391.2 Electric Plant in Service - General Plant - Office Furn/Equip - Machines
- 26 391.7 Electric Plant in Service - General Plant - Office Furn/Equip - E.D.P.
- 27 394.0 Electric Plant in Service - General Plant - Tools, Shop and Work
Equipment
- 28 394.2 Electric Plant in Service - General Plant - Garage
equipment
- 29 397.0 Electric Plant in Service - General Plant - Communication Equipment
- 30 397.1 Electric Plant in Service - General Plant - Communication Equipment - Tele sys
computer
- 31 397.2 Electric Plant in Service - General Plant - Communication Equipment - Tele sys
equipment
- 32
- 33
- 34
- 35
- 36 Method Used to Compute the Depreciable Plant Base (Col. (b)):
- 37 Average of the 12 balances on which the monthly provision for depreciation was
computed.
- 38
- 39 Provisions for Depreciation in Addition to Depreciation Provided by Application of Reported
Rates:
- 40 None

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 | 448,886 | | 448,886 | |
| 2 | Amortization Of Rate Case Expense | | 77,897 | 77,897 | |
| 3 | NJ System Reliability Study | | 613 | 613 | |
| 4 | NJ 1993 Management Audit | | 121,494 | 121,494 | |
| 5 | NJ Competitive Service Audit | | 2,474 | 2,474 | |
| 6 | | | | | |
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| 45 | | | | | |
| 46 | TOTAL | 448,886 | 202,478 | 651,364 | |

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:

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

| 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)
12/31/2011

Year/Period of Report
End of 2011/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 |
| 211,736 | | 930 | 211,736 | | 3 |
| | | | | | 4 |
| 9,870 | | 930 | 9,870 | 822 | 5 |
| | | | | | 6 |
| | | | | | 7 |
| 20,244 | | 930 | 20,244 | | 8 |
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

| Line No. | Classification (a) | Direct Payroll Distribution (b) | Allocation of Payroll charged for Clearing Accounts (c) | Total (d) |
|----------|--|------------------------------------|--|--------------|
| 1 | Electric | | | |
| 2 | Operation | | | |
| 3 | Production | | | |
| 4 | Transmission | 553,761 | | |
| 5 | Regional Market | | | |
| 6 | Distribution | 2,036,270 | | |
| 7 | Customer Accounts | 2,352,435 | | |
| 8 | Customer Service and Informational | 961,876 | | |
| 9 | Sales | | | |
| 10 | Administrative and General | 3,242,794 | | |
| 11 | TOTAL Operation (Enter Total of lines 3 thru 10) | 9,147,136 | | |
| 12 | Maintenance | | | |
| 13 | Production | | | |
| 14 | Transmission | 46,004 | | |
| 15 | Regional Market | | | |
| 16 | Distribution | 2,832,011 | | |
| 17 | Administrative and General | 17,792 | | |
| 18 | TOTAL Maintenance (Total of lines 13 thru 17) | 2,895,807 | | |
| 19 | Total Operation and Maintenance | | | |
| 20 | Production (Enter Total of lines 3 and 13) | | | |
| 21 | Transmission (Enter Total of lines 4 and 14) | 599,765 | | |
| 22 | Regional Market (Enter Total of Lines 5 and 15) | | | |
| 23 | Distribution (Enter Total of lines 6 and 16) | 4,868,281 | | |
| 24 | Customer Accounts (Transcribe from line 7) | 2,352,435 | | |
| 25 | Customer Service and Informational (Transcribe from line 8) | 961,876 | | |
| 26 | Sales (Transcribe from line 9) | | | |
| 27 | Administrative and General (Enter Total of lines 10 and 17) | 3,260,586 | | |
| 28 | TOTAL Oper. and Maint. (Total of lines 20 thru 27) | 12,042,943 | | 12,042,943 |
| 29 | Gas | | | |
| 30 | Operation | | | |
| 31 | Production-Manufactured Gas | | | |
| 32 | Production-Nat. Gas (Including Expl. and Dev.) | | | |
| 33 | Other Gas Supply | | | |
| 34 | Storage, LNG Terminaling and Processing | | | |
| 35 | Transmission | | | |
| 36 | Distribution | | | |
| 37 | Customer Accounts | | | |
| 38 | Customer Service and Informational | | | |
| 39 | Sales | | | |
| 40 | Administrative and General | | | |
| 41 | TOTAL Operation (Enter Total of lines 31 thru 40) | | | |
| 42 | Maintenance | | | |
| 43 | Production-Manufactured Gas | | | |
| 44 | Production-Natural Gas (Including Exploration and Development) | | | |
| 45 | Other Gas Supply | | | |
| 46 | Storage, LNG Terminaling and Processing | | | |
| 47 | Transmission | | | |
| | | | | |

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) | 12,042,943 | | 12,042,943 |
| 66 | Utility Plant | | | |
| 67 | Construction (By Utility Departments) | | | |
| 68 | Electric Plant | 3,056,032 | 85 | 3,056,117 |
| 69 | Gas Plant | | | |
| 70 | Other (provide details in footnote): | | | |
| 71 | TOTAL Construction (Total of lines 68 thru 70) | 3,056,032 | 85 | 3,056,117 |
| 72 | Plant Removal (By Utility Departments) | | | |
| 73 | Electric Plant | 380,632 | | 380,632 |
| 74 | Gas Plant | | | |
| 75 | Other (provide details in footnote): | | | |
| 76 | TOTAL Plant Removal (Total of lines 73 thru 75) | 380,632 | | 380,632 |
| 77 | Other Accounts (Specify, provide details in footnote): | | | |
| 78 | Non- Oper. Revenue Deductions | 1 | | 1 |
| 79 | Regulatory Assets | 63,885 | | 63,885 |
| 80 | Storm Damage | 895,804 | | 895,804 |
| 81 | System Control & Load Dispatch | 9,680 | | 9,680 |
| 82 | Other Work in Progress | 1,169,086 | | 1,169,086 |
| 83 | Misc. | 242 | | 242 |
| 84 | | | | |
| 85 | | | | |
| 86 | | | | |
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| 93 | | | | |
| 94 | | | | |
| 95 | TOTAL Other Accounts | 2,138,698 | | 2,138,698 |
| 96 | TOTAL SALARIES AND WAGES | 17,618,305 | 85 | 17,618,390 |

Name of Respondent
Rockland Electric Company

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

Date of Report
(Mo, Da, Yr)
12/31/2011

Year/Period of Report
End of 2011/Q4

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 | 3,535,345 | 7,122,020 | 10,771,811 | 14,367,377 |
| 5 | Ancillary Services | | | | |
| 6 | Other Items (list separately) | | | | |
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| 44 | | | | | |
| 45 | | | | | |
| 46 | TOTAL | 3,535,345 | 7,122,020 | 10,771,811 | 14,367,377 |

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)
12/31/2011

Year/Period of Report
End of 2011/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 | 256 | 24 | 1900 | | | | | | |
| 2 | February | 244 | 1 | 1900 | | | | | | |
| 3 | March | 225 | 9 | 1900 | | | | | | |
| 4 | Total for Quarter 1 | 725 | | | | | | | | |
| 5 | April | 242 | 27 | 1600 | | | | | | |
| 6 | May | 386 | 31 | 1700 | | | | | | |
| 7 | June | 456 | 9 | 1600 | | | | | | |
| 8 | Total for Quarter 2 | 1,084 | | | | | | | | |
| 9 | July | 441 | 22 | 1600 | | | | | | |
| 10 | August | 399 | 1 | 1700 | | | | | | |
| 11 | September | 318 | 14 | 1700 | | | | | | |
| 12 | Total for Quarter 3 | 1,158 | | | | | | | | |
| 13 | October | 210 | 10 | 1600 | | | | | | |
| 14 | November | 217 | 22 | 1800 | | | | | | |
| 15 | December | 233 | 19 | 1800 | | | | | | |
| 16 | Total for Quarter 4 | 660 | | | | | | | | |
| 17 | Total Year to Date/Year | 3,627 | | | | | | | | |
| | | | | | | | | | | |

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) | 1,665,452 |
| 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) | 312 |
| 7 | Other | 783,339 | 27 | Total Energy Losses | 80,534 |
| 8 | Less Energy for Pumping | | 28 | TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20) | 1,746,298 |
| 9 | Net Generation (Enter Total of lines 3 through 8) | 783,339 | | | |
| 10 | Purchases | 962,959 | | | |
| 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) | 1,746,298 | | | |

| | | | |
|---|---|--|--|
| 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) 12/31/2011 | Year/Period of Report End of <u>2011/Q4</u> |
|---|---|--|--|

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 | 145,661 | | 256 | 24 | 1900 |
| 30 | February | 126,101 | | 244 | 1 | 1900 |
| 31 | March | 132,926 | | 225 | 9 | 1900 |
| 32 | April | 122,293 | | 242 | 27 | 1600 |
| 33 | May | 138,526 | | 386 | 31 | 1700 |
| 34 | June | 157,944 | | 456 | 9 | 1600 |
| 35 | July | 173,624 | | 441 | 22 | 1600 |
| 36 | August | 162,727 | | 399 | 1 | 1700 |
| 37 | September | 142,741 | | 318 | 14 | 1700 |
| 38 | October | 116,725 | | 210 | 10 | 1600 |
| 39 | November | 114,695 | | 217 | 22 | 1800 |
| 40 | December | 128,723 | | 233 | 19 | 1800 |
| 41 | TOTAL | 1,662,686 | | | | |

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 | 4.91 | 4.91 | 2 |
| 15 | | | | | | | | |
| 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 | 57 |

Name of Respondent
Rockland Electric Company

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

Date of Report
(Mo, Da, Yr)
12/31/2011

Year/Period of Report
End of 2011/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 |
| 397.5 kCm ACSR | | | | | | | | 13 |
| 397.5 kCM ACSR | | | | | | | | 14 |
| | | | | | | | | 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 | | | | | | | | |
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| 33 | | | | | | | | |
| 34 | | | | | | | | |
| 35 | | | | | | | | |
| 36 | | | | | TOTAL | 67.24 | 23.95 | 57 |

Name of Respondent
Rockland Electric Company

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

Date of Report
(Mo, Da, Yr)
12/31/2011

Year/Period of Report
End of 2011/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 |
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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 | |
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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 |
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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 | Non-power Goods or Services Provided by Affiliated | | | |
| 2 | Administrative Services | CECONY | | 8,219,355 |
| 3 | Administrative Services | CEI | | 464,038 |
| 4 | | | | |
| 5 | | | | |
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| 18 | | | | |
| 19 | | | | |
| 20 | Non-power Goods or Services Provided for Affiliate | | | |
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| construction work in progress | 356 |
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| held for future use | 356 |
| in service | 356 |
| leased to others | 356 |
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|--|-----------------|
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| accrued and prepaid | 262-263 |
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| reconciliation of net income with taxable income for | 261 |
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| Transmission | |
| lines added during year | 424-425 |
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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) 04/30/12 | Year of Report December 31, 2011 |
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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*

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.

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

(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) | (c) | (d) |
| 1 | | | |
| 2 | <u>136 - Temporary Cash Investments</u> | | |
| 3 | Orange and Rockland Utilities, Inc. (Parent) | 13,128,000 | 42,767,000 |
| 4 | Short-term notes | | |
| 5 | | | |
| 6 | <u>123 - Investment In Subsidiaries</u> | | |
| 7 | Investment In Subsidiary LLC | 231,500 | |
| 8 | | | |
| 9 | | | |
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| 33 | | | |
| 34 | | | |
| 35 | | | |
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| 37 | | | |
| 38 | | | |
| 39 | | | |
| 40 | Totals | 13,359,500 | 42,767,000 |

| | | | |
|--------------------|---|--|-------------------------------------|
| 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) 04/30/12 | Year of Report December 31, 2011 |
|--------------------|---|--|-------------------------------------|

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. |
|--|---|---|-----------------------------|---|----------|
| 40,495,000 | | 15,400,000 | 34,003 | | 1 |
| | | | | | 2 |
| | | | | | 3 |
| | | | | | 4 |
| | | | | | 5 |
| | | 231,500 | | | 6 |
| | | | | | 7 |
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| 40,495,000 | - | 15,631,500 | 34,003 | - | 39 |
| | | | | | 40 |

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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) 04/30/12 | Year of Report December 31, 2011 |
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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 | | | | | | |
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| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | TOTAL | \$ - | \$ - | | \$ - | \$ - |

| | | | |
|--|---|--|-------------------------------------|
| 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) 04/30/12 | Year of Report December 31, 2011 |
|--|---|--|-------------------------------------|

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

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.

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.

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.

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.

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.

None

| | | | |
|--|---|--|-------------------------------------|
| 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) 04/30/12 | Year of Report December 31, 2011 |
|--|---|--|-------------------------------------|

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</p> <p>3 In column (b) show the principal amount of bonds or other long-term debt originally issued</p> <p>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 | | | | | |
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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) 04/30/12 | Year of Report December 31, 2011 |
|--|---|--|-------------------------------------|

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 |
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| - | - | - | - | 6 |
| - | - | - | - | 7 |
| - | - | - | - | 8 |
| - | - | - | - | 9 |
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| - | - | - | - | 20 |
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| - | - | - | - | 32 |
| - | - | - | - | 33 |
| - | - | - | - | 34 |
| - | - | - | - | 35 |
| - | - | - | - | 36 |
| - | - | - | - | 37 |
| - | - | - | - | 38 |
| - | - | - | - | 39 |
| - | - | - | - | 40 |

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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) 04/30/12 | Year of Report December 31, 2011 |
|--|---|--|-------------------------------------|

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 | | | | | | |
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|---------------------------|--|--------------------------|-------------------|
| Name of Respondent | This Report is: | Date of Report | Year of Report |
| Rockland Electric Company | (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | (Mo, Da, Yr) 04/30/12 | December 31, 2011 |

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 | Budget Billing Overcollections | 2,907,624 |
| 2 | Derivative Instruments Liab. - Short Term Contract | 1,316,896 |
| 3 | Derivative Instruments Liab. - Short Term Contract CFD | 3,719,663 |
| 4 | Derivative Instruments Liab. - CEE Short Term Contract | - |
| 5 | Derivative Instruments Liab. - Long Term Contract CFD | 1,390,016 |
| 6 | Derivative Instruments Liab. - Long Term Contract | 592,645 |
| 7 | | |
| 8 | | |
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| 10 | | |
| 11 | | |
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| 37 | | |
| 38 | | |
| 39 | | |
| 40 | | |
| 41 | | |
| 42 | | |
| 43 | | |
| 44 | | |
| 45 | TOTAL | \$ 9,926,844 |

| | | | |
|--|---|--|-------------------------------------|
| 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) 04/30/12 | Year of Report December 31, 2011 |
|--|---|--|-------------------------------------|

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 | subtraction from revenues, and income as the remainder |
| 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 | 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

| | | | |
|--|---|--|-------------------------------------|
| 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) 04/30/12 | Year of Report December 31, 2011 |
|--|---|--|-------------------------------------|

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 | | |
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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) 04/30/12 | Year of Report December 31, 2011 |
|--|---|---|-------------------------------------|

**UNDERGROUND TRANSMISSION SYSTEMS AND UNDERGROUND DISTRIBUTION SYSTEMS
CONDUIT, UNDERGROUND CABLE, AND SUBMARINE CABLE (Distribution System)**

1 Report below the information called for concerning conduit, underground cable, and submarine cable at end of year

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

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 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

| 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 | 112 | 712 | N/A | N/A |
| 2 | | | | | |
| 3 | Tranmission | 1 | 2 | N/A | N/A |
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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) 04/30/12 | Year of Report December 31, 2011 |
|--|---|---|-------------------------------------|

**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 | TRANSMISSION | | | | | 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 |
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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) #REF! | Year of Report December 31, 2011 |
|--|---|--|-------------------------------------|

**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 | DISTRIBUTION | | | | | |
| 2 | ALLENDALE | 41 | 36 | 5 | 133 | 29 |
| 3 | ALPINE | 26 | 23 | 4 | 82 | 28 |
| 4 | CLOSTER | 56 | 51 | 5 | 188 | 14 |
| 5 | CRESSKILL | 39 | 36 | 3 | 139 | 18 |
| 6 | DEMAREST | 33 | 30 | 3 | 95 | 5 |
| 7 | DUMONT | - | - | - | 1 | - |
| 8 | HAWORTH | 9 | 9 | - | 20 | - |
| 9 | F.LAKES | 86 | 72 | 14 | 273 | 98 |
| 10 | H.PARK | 29 | 28 | 1 | 69 | 8 |
| 11 | MAHWAH | 130 | 102 | 28 | 411 | 171 |
| 12 | MONTVALE | 53 | 46 | 7 | 167 | 40 |
| 13 | NORTHVALE | 29 | 26 | 3 | 89 | 5 |
| 14 | NORWOOD | 31 | 29 | 2 | 99 | 16 |
| 15 | OAKLAND | 91 | 77 | 13 | 268 | 29 |
| 16 | OLD TAPPAN | 21 | 19 | 2 | 73 | 23 |
| 17 | RAMSEY | 84 | 72 | 12 | 279 | 64 |
| 18 | RIVERVALE | - | - | - | - | - |
| 19 | ROCKLIEGH | 7 | 6 | 2 | 23 | 2 |
| 20 | SADDLE RIVER | 28 | 22 | 6 | 74 | 25 |
| 21 | UPPER S.RIV | 65 | 58 | 7 | 199 | 33 |
| 22 | WALDWICK | - | - | - | - | - |
| 22 | WYCOFF | 57 | 52 | 5 | 176 | 19 |
| 23 | RINGWOOD | 73 | 52 | 21 | 243 | 24 |
| 24 | W.MILFORD | 200 | 141 | 59 | 628 | 43 |
| 25 | MONTAGUE | 15 | 11 | 4 | 36 | 1 |
| 26 | VERNON | 5 | 4 | 1 | 13 | - |
| 27 | WANTAGE | - | - | - | - | - |
| 28 | | | | | | |
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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) #REF! | Year of Report December 31, 2011 |
|--------------------|---|--|-------------------------------------|

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 | 11,746 | N/A | N/A | N/A | N/A |
| 2 | UNDERGROUND STREET LIGHTING | 1,808 | N/A | N/A | N/A | N/A |
| 3 | | | | | | |
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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 | Balance Sheet | | | | | | | |
| 2 | <u>Assets</u> | | | | | | | |
| 3 | Total Net Utility Plant | \$ 213,805 | \$ (1,220) | A | | | | \$ 212,585 |
| 4 | | | | | | | | |
| 5 | | | | | | | | |
| 6 | | | | | | | | |
| 7 | Other Property & Investments | 231 | | | | (231) | B | - |
| 8 | | | | | | | | |
| 9 | | | | | | | | |
| 10 | | | | | | | | |
| 11 | Current Assets | 52,293 | 6,008 | D | 2,053 | (485) | C | 59,869 |
| 12 | | | | | | | | |
| 13 | | | | | | | | |
| 14 | | | | | | | | |
| 15 | Deferred Debits | 64,198 | (5,315) | E | 27,061 | | | 85,944 |
| 16 | | | | | | | | |
| 17 | | | | | | | | |
| 18 | | | | | | | | |
| 19 | | | | | | | | |
| 20 | Total | \$ 330,527 | \$ (527) | | \$ 29,114 | \$ (716) | | \$ 358,398 |
| 21 | <u>Liabilities & Capital</u> | | | | | | | |
| 22 | Proprietary Capital | \$ 193,878 | | | \$ 232 | \$ (232) | F | \$ 193,878 |
| 23 | | | | | | | | |
| 24 | | | | | | | | |
| 25 | | | | | | | | |
| 26 | Long Term Debt | 0 | - | | 25,297 | | | 25,297 |
| 27 | | | | | | | | |
| 28 | Other Noncurrent Liabilities | 1,536 | - | | | | | 1,536 |
| 29 | | | | | | | | |
| 30 | | | | | | | | |
| 31 | Current & Accrued Liabilities | 35,588 | 82 | G | 3,585 | (485) | H | 38,770 |
| 32 | | | | | | | | |
| 33 | | | | | | | | |
| 34 | Deferred Credits | 99,525 | (608) | I | | | | 98,917 |
| 35 | | | | | | | | |
| 36 | | | | | | | | |
| 37 | | | | | | | | |
| 38 | | | | | | | | |
| 39 | Operating Reserves | | | | | | | |
| 40 | | | | | | | | |
| 41 | Income Taxes | | | | | | | |
| 42 | | | | | | | | |
| 43 | Total | \$330,527 | (\$526) | | \$29,114 | (\$717) | | \$358,398 |

**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, 2010, the Company reclassified the cost of removal less salvage value originally included in the accumulated reserve to a regulatory liability in 2010. | (1,220) |
| B | Investment in subsidiaries eliminated in consolidation | (231) |
| C | Investment in subsidiaries eliminated in consolidation | (485) |
| D | Negative Cash reclassified from current liabilities to cash on FERC basis | 81 |
| | Move deferred tax assets to current asset | 5,927 |
| E | Deferred FIT in account 190 reclassified to Deferred FIT Taxes in Liabilities Section | (5,764) |
| | Reg Liability SFAS 109 reclassified to net against Recoverable Income Taxes in Asset Section | (771) |
| | Move cost of removal from total regulatory liabilities to total regulatory assets | 1,220 |
| F | Investment in Subsidiaries eliminated in consolidation | (231) |
| G | Negative Cash reclassified from current liabilities to cash on FERC basis | 81 |
| H | Investment in subsidiaries eliminated in consolidation | (485) |
| I | Deferred FIT in account 190 reclassified to Deferred FIT Taxes in Liabilities Section | (5,764) |
| | Reg Liability SFAS 109 reclassified to net against Recoverable Income Taxes in Asset Section | (771) |
| | Company reclassified the cost of removal less salvage value originally included in the accumulated reserve | (1,220) |
| | Move deferred tax assets to current asset | 5,927 |
| | Move cost of removal from total regulatory liabilities to total regulatory assets | 1,220 |

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

| Line No. | Description | FERC USOA | Adjustments | Subsidiaries | Consolidations Eliminations | Footnote Ref | SEC Format |
|----------|------------------------------------|------------|-------------|--------------|-----------------------------|--------------|------------|
| 1 | Income Statement | | | | | | |
| 2 | <u>Operating Revenues</u> | \$ 203,585 | - | \$ 4,359 | | | \$ 207,944 |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | <u>Operating Expenses</u> | (189,394) | | (2,723) | | | (192,117) |
| 7 | | | | | | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | <u>Other Income and Deductions</u> | 120 | | (58) | | | 62 |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | <u>Interest Charges</u> | (342) | | (1,578) | | | (1,920) |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | <u>Extraordinary Items</u> | - | | | | | - |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | Net Income | \$13,969 | \$0 | \$0 | \$0 | | \$13,969 |

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 | Statement of Cash Flows | | | | | | |
| 2 | <u>Operating Activities</u> | \$ 20,933 | | | | | \$ 20,933 |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | <u>Investing Activities</u> | (15,254) | | | | | (15,254) |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | <u>Financing Activities</u> | - | | | | | - |
| 15 | | - | | | | | - |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | Net increase (decrease) in cash and cash equivalents | 5,679 | - | - | | | 5,679 |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | Cash and cash equivalents, Beginning of Year | 14,135 | 81 | - | | G | 14,216 |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | Cash and cash equivalents, End of Year | \$ 19,814 | \$ 81 | - | | | \$ 19,895 |
| 26 | | | | | | | |

FOOTNOTES

Negative cash reclassified from current liabilities to cash on FERC basis

ROCKLAND ELECTRIC COMPANY

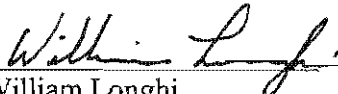
Certificate

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, 2011, 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 26th day of April 2012.



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, 2011, 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 25 day of April 2012.

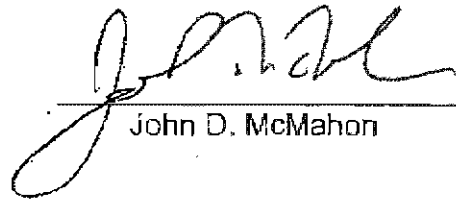

Kevin Burke

UNANIMOUS WRITTEN CONSENT
OF DIRECTORS OF
ROCKLAND ELECTRIC COMPANY

The undersigned, being the sole director of ROCKLAND ELECTRIC COMPANY, a New Jersey corporation (the "Company"), by this written consent pursuant to pursuant to Section 14A:6-7.1(5) of the New Jersey Business Corporation Act hereby adopts the following resolution:

RESOLVED, That the Company's Chief Executive Officer be, and hereby is, authorized to annually provide to the New Jersey Board of Public Utilities ("NJBPU") his certification under the NJBPU's Public Utility Holding Company Standards (Section 14:4-4A.3(c) of the New Jersey Administrative Code) to the effect that that as of December 31st of the previous year, 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.

IN WITNESS WHEREOF, the undersigned have executed this consent as of April 23, 2007.



John D. McMahon

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. On December 31, 2011, CEI's total assets were \$39,213,874,520. 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 & Rockland Development, Inc. (See Items B3 and B4, below), whose assets totaled \$20,955,604 on December 31, 2011, and which 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 of New York"). Con Edison of New York supplies electric service to all of New York City (except a part of Queens) and most of Westchester County, New York. On December 31, 2011, Con Edison of New York's total assets were \$35,217,867,536. 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 of New York determined that these sites, which are in Con Edison of New York's rate base, were no longer needed, and is in the process of disposing of the remaining property. On December 31, 2011, 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. On December 31, 2011, DCK's total assets were \$0.
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 of New York, and 71.19 percent owned by Consolidated Edison Development, Inc. ("CED"). On December 31, 2011, Honeoye's total assets were \$12,397,895.
4. Steam House Leasing LLC ("SHL"). SHL leases a steam generating plant that produces steam for Con Edison's steam distribution business. On December 31, 2011, SHL's total assets were \$0.

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. On December 31, 2011, O&R's total assets were \$2,346,596,666. 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. On December 31, 2011, RECO's total assets were \$361,662,283. 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. On December 31, 2011, Transition Funding's total assets were \$29,113,350.
2. Pike County Light & Power Company ("Pike"). Pike provides electric and gas service to customers in Pike County, in the northeastern corner of Pennsylvania. On December 31, 2011, Pike's total assets were \$22,032,948.
3. Clove Development Corporation ("Clove"). Clove is a real estate sales company that no longer owns any real estate. Its assets are cash and notes receivables. On December 31, 2011, Clove's total assets were \$20,535,048. Clove is a non-utility associate.
4. Orange & Rockland Development, Inc. ("ORDEVCO"). ORDEVCO is a real estate development company. ORDEVCO's principal assets are cash and notes receivable. On December 31, 2011, ORDEVCO's total assets were \$420,556. ORDEVCO is a non-utility associate.

C. Consolidated Edison Solutions, Inc. ("CES"). CES provides wholesale and retail energy and related services. On December 31, 2011, CES's total assets were \$288,220,384. 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. On December 31, 2011, CAO's total assets were \$0.
2. BGA, Inc. ("BGA"). BGA is an energy service company with offices in Tampa, Florida. On December 31, 2011, BGA's assets were \$ \$22,412,788
3. Custom Energy Services, LLC ("Custom Energy Services"). Custom Energy Services is an energy service company with offices in Overland Park, Kansas. On December 31, 2011, Custom Energy Services' assets were \$ \$11,330,932

4. CES Massachusetts Solar, LLC ("CES Massachusetts"). CES Massachusetts installs and operates solar generating facilities in Massachusetts. On December 31, 2011, CES Massachusetts' assets were \$0.

D. Consolidated Edison Development ("CED"). CED has investments in domestic and foreign energy projects and partly owns a gas storage facility. On December 31, 2011, CED's total assets were \$92,013,296. CED has the following subsidiaries:

1. Consolidated Edison Leasing, LLC ("CEL"). CEL has an investment in the lease of an electric generating facility in the Netherlands. On December 31, 2011, CEL's total assets were 0.
 - 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. On December 31, 2011 ROCA's total assets were \$ \$102,291,169.
2. Con Edison Leasing, LLC. ("CELLLC"). CELLLC has an investment in a lease of a gas distribution system in the Netherlands. On December 31, 2011, CELLLC's total assets were negative \$0.
 - 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. On December 31, 2011, NUON's total assets were \$ \$131,743,083.
3. CED Ada, Inc. ("CEDA"). CEDA was organized to invest in a power plant in Michigan, which was sold in 2008. On December 31, 2011, CEDA's total assets were \$0.
4. CED/SCS Newington, LLC ("CED/SCS"). CED/SCS was formed to invest in a power plant in New Hampshire, which was sold in 2008. On December 31, 2011, CED/SCS's total assets were \$0.
5. Northbridge Solar, LLC ("Northbridge"). Northbridge was organized in connection with a proposed internal reorganization that was never completed. On December 31, 2011, Northbridge's total assets were \$ \$44,948
6. CEDST, LLC ("CEDST"). On December 31, 2011, CEDST's total assets were \$0. 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. On December 31, 2011, CEDST's total assets were \$ \$40,218

- (i) SunAmerica Affordable Housing Partners 93, LP ("SAHP 93"). SAHP 93 owns interests in low-income housing projects throughout the United States. On December 31, 2011 SAHP 93's assets were \$40,218.
- 7. CED Wind Power LLC. ("CEDW"). CEDW was formed to invest in wind power electric generating facilities. On December 31, 2011, CEDW's assets were \$0.
- 8. Murray Hill Solar, LLC (Murray Hill"). Murray Hill was formed for the purpose of developing, owning, and operating a solar facility in Murray Hill, New Jersey. On December 31, 2011, Murray Hill's total assets were \$4,107,894
- 9. Douglas Solar, LLC ("Douglas"). Douglas was formed for the purpose of developing, owning, and operating a solar facility in Douglas, Massachusetts. On December 31, 2011, Douglas' assets were \$98,166
- 10. Flemington Solar, LLC ("Flemington"). Flemington was formed for the purpose of developing, owning, and operating a solar facility in Flemington, New Jersey. On December 31, 2011, Flemington's total assets were \$31,554,011
- 11. CED Pilesgrove Holdings, LLC ("CED Pilesgrove"). CED Pilesgrove was formed for the purpose of investing in Pilesgrove Solar, LLC. On December 31, 2011, CED Pilesgrove's assets were \$43,500,764.
 - a. Pilesgrove Solar, LLC ("Pilesgrove Solar"). Pilesgrove Solar was formed for the purpose of developing, owning, and operating a solar facility in Pilesgrove Township, New Jersey. Pilesgrove Solar is 50 percent owned by CED Pilesgrove and 50 percent owned by Panda Solar Ventures I, an unaffiliated third-party. On December 31, 2011, Pilesgrove Solar's assets were \$101,629,617.
- 12. Dartmouth Business Park Solar, LLC ("Dartmouth"). Dartmouth was formed for the purpose of developing, owning and operating a solar facility in New Bedford, Massachusetts. On December 31, 2011, Dartmouth's total assets were \$5,477,359
- 13. Frenchtown I Solar, LLC ("Frenchtown I"). Frenchtown I was formed for the purpose of developing, owning and operating a solar facility in Kingswood Township, New Jersey. On December 31, 2011, Frenchtown I's total assets were \$14,766,049
- 14. Frenchtown II Solar, LLC ("Frenchtown II"). Frenchtown II was formed for the purpose of developing, owning, and operating a solar facility in Kingswood Township, New Jersey. On December 31, 2011, Frenchtown II's total assets were \$13,144,325
- 15. Lebanon Solar, LLC ("Lebanon"). Lebanon was formed for the purpose of developing, owning, and operating a solar facility in Lebanon, New Jersey. On December 31, 2011 Lebanon's total assets were \$8,909,409

16. Honeoye Storage Corporation ("Honeoye"). Honeoye owns and operates a gas storage facility in upstate New York. Honeoye is 71.19 percent owned by CED and 28.81 percent owned by Con Edison of New York. On December 31, 2011, Honeoye's total assets were \$12,397,895.
 17. PA Solar Park, LLC ("PA Solar"). PA Solar was formed for the purpose of developing, owning, and operating a solar facility in Nesquehoning, Pennsylvania. On December 31, 2011, PA Solar's total assets were \$19,836,243.
 18. CED OpCo, LLC ("OpCo"). OpCo was formed for the purpose of providing operation and maintenance services. On December 31, 2011, OpCo's total assets were \$0.
 19. Dartmouth II Solar, LLC ("Dartmouth II"). Dartmouth II was formed for the purpose of developing, owning and operating a solar facility in New Bedford, Massachusetts. On December 31, 2011, Dartmouth II's total assets were \$723,819.
- E. Consolidated Edison Energy, Inc. ("CEEI"). CEEI is an energy trading company that markets specialized energy supply services to wholesale customers. On December 31, 2011, CEEI's assets were \$111,816,114. CEEI has the following subsidiary:
- a. Competitive Shared Services, Inc. ("CSSI"). CSSI provides accounting and other services to CES, CEDI, and CEEI. On December 31, 2011, CSSI's total assets were \$651,531.
- F. Consolidated Edison, Inc., originally incorporated as CWB Holdings, Inc., is a corporation organized and existing under the laws of the State of Delaware ("CEI Delaware"). On December 31, 2011, CEI Delaware's total assets were \$0.
- G. Consolidated Edison Energy Delivery Services, Inc. ("CEEDS"). CEEDS was formed to operate and maintain electric facilities pursuant to a contractual arrangement that ultimately was not awarded to it. On December 31, 2011, CEEDS's total assets were \$0.