

STATEMENT OF ENERGY COST ADJUSTMENT

Applicable to Billings under all Service Classifications
of the Schedule for Electric Service of

ORANGE AND ROCKLAND UTILITIES, INC.

Reconciliation Adjustment 12 Months Ended December 2003 (including interest)	(\$1,578,102)
Estimated Above Market Payments to NUGs 12 Months Ending December 2004	\$5,901,791
Estimated Load Pocket Costs 12 Months Ending December 2004	\$0
Total Reconciliation, Above-Market NUG and Load Pocket Call Option Costs to be Recovered	\$4,323,689
Forecast Annual Billed Sales (kWh)	3,871,852,000
Reconciliation, Above-Market NUG and Load Pocket Call Option Component of ECA (per kWh)	<u>\$0.00111</u>
Western Load Pocket Permanent Mitigation Revenue Requirement for 2004	\$1,818,123
Forecast Annual Billed Sales (kWh)	3,871,852,000
Western Load Pocket Permanent Mitigation Component of ECA (per kWh)	<u>\$0.00047</u>
Total Energy Cost Adjustment Rate (per kWh)*	<u>\$0.00158</u>

* Applicable to all Service Classifications except Service Classification No. 25.
For Service Classification No. 25, see page 2 of 2.

Issued: February 2, 2004

Effective: May 1, 2004

Issued By: John D. McMahon, President
Pearl River, New York 10965

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ECA Percentages Applicable To Service Classification No. 25

(to be applied to Customer Charges and Delivery Charges)

<u>Rate 1</u>	
Secondary	2.89%
Primary	3.81%
<u>Rate 2</u>	
	6.84%
<u>Rate 3</u>	
Primary	7.76%
Secondary	13.89%
Transmission	19.92%
<u>Rate 4</u>	
Primary	10.03%
Secondary	19.60%
Transmission	23.11%

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