

STATEMENT OF INCREASE IN RATES AND CHARGES

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

ORANGE AND ROCKLAND UTILITIES, INC.

- (1) **Section 209 of the New York State Tax Law (State Income Tax)** - The applicable rates and charges for service under all service classifications of P.S.C. No. 2 ELECTRICITY, shall be increased by dividing such rates and charges by a surcharge factor of 0.9866 pursuant to General Information Section 18.
- (2) **Sections 209-b and 186-c of the New York State Tax Law (Metropolitan Transportation Authority Business Tax Surcharge)** - The applicable rates and charges for service under all service classifications of P.S.C. No. 2 ELECTRICITY, including the effect of the surcharge factor shown in (1) above, shall be increased by dividing such rates and charges by the following applicable surcharge factors pursuant to General Information Section 18:

| <u>COUNTY</u> | <u>SURCHARGE FACTOR</u> |
|-----------------|-----------------------------|
| Orange County | 0.9927 |
| Rockland County | 0.9927 |
| Sullivan County | 1.0000 |

ISSUED: January 13, 2003

EFFECTIVE: February 1, 2003

ISSUED BY: John D. McMahon, President
Pearl River, New York 10965

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- (3) **Section 186-a of the New York State Tax Law (Gross Receipts Tax), Section 20-b of the General City Law, and Section 5-530 of the Village Law** - The applicable rates and charges for service under all service classifications of P.S.C. No. 2 ELECTRICITY, including the effect of the surcharge factors shown in (1) and (2) above, shall be increased by dividing such rates and charges by the following applicable surcharge factors pursuant to General Information Section 18:

| | Commodity | Delivery | |
|--------------------------|-----------|-------------|-----------------|
| | | Residential | Non-Residential |
| Certain Municipalities* | 0.9815 | 0.9675 | 0.97875 |
| All Other Municipalities | 0.9915 | 0.9775 | 0.98875 |

*Applicable to the following municipalities:

| | |
|---------------------------------|----------------------------|
| City of Middletown | Village of New Square |
| City of Port Jervis | Village of Nyack |
| Village of Airmont | Village of Otisville |
| Village of Bloomingburg | Village of Piermont |
| Village of Chestnut Ridge | Village of Pomona |
| Village of Goshen | Village of Sloatsburg |
| Village of Grand View-on-Hudson | Village of South Nyack |
| Village of Greenwood Lake | Village of Spring Valley |
| Village of Harriman | Village of Suffern |
| Village of Haverstraw | Village of Unionville |
| Village of Highland Falls | Village of Upper Nyack |
| Village of Hillburn | Village of Warwick |
| Village of Kaser | Village of Washingtonville |
| Village of Kiryas Joel | Village of Wesley Hills |
| Village of Monroe | Village of West Haverstraw |
| Village of Montebello | Village of Wurtsboro |
| Village of New Hempstead | |

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