1. **AVERAGE COST OF GAS**
The average cost of gas per 100 cubic feet determined on August 23, 2004 is computed in accordance with the cost of gas provisions as defined in General Information Section No. 12.1.  

<table>
<thead>
<tr>
<th>Item</th>
<th>GSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 1</td>
<td>80.694</td>
</tr>
</tbody>
</table>

2. **Factor of Adjustment - System loss allowance**  

<table>
<thead>
<tr>
<th>Item</th>
<th>GSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 2</td>
<td>1.033</td>
</tr>
</tbody>
</table>

3. **Resulting Gas Cost Including Losses (Line 1 multiplied by Line 2)**  

<table>
<thead>
<tr>
<th>Item</th>
<th>GSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 3</td>
<td>83.357</td>
</tr>
</tbody>
</table>

4. **Surcharge from the annual reconciliation period ending August 31, 2003 to be applied commencing January 1, 2004 through December 31, 2004**  

<table>
<thead>
<tr>
<th>Item</th>
<th>GSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 4</td>
<td>2.893</td>
</tr>
</tbody>
</table>

5. **Surcharge for the annual reconciliation period ending August 31, 2003**  

<table>
<thead>
<tr>
<th>Item</th>
<th>GSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 5</td>
<td>0.000</td>
</tr>
</tbody>
</table>

6. **GAS SUPPLY CHARGE**  
Applicable to service rendered on and after the effective date of this statement, and thereafter until changed.  

<table>
<thead>
<tr>
<th>Item</th>
<th>GSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 6</td>
<td>86.250</td>
</tr>
</tbody>
</table>

**Issued by:**  
John D. McMahon, President, Pearl River, NY
STATEMENT OF MONTHLY GAS ADJUSTMENTS

Effective for Service Rendered On or After September 1, 2004
Applicable to the Billing Under Service Classification Nos 1, 2 and 6 of the Schedule for Gas Service of

ORANGE AND ROCKLAND UTILITIES, INC.

A. Monthly Gas Adjustments Applied to All Volumes Used:

1. Transition Surcharge
   0.893
   0.000
   0.893
   0.893

2. Surcharge/(Credit) for Sharing of Benefits
   (1.750)
   (1.750)
   (1.750)
   (1.750)

3. Gas in Storage Working Capital
   0.622
   0.124
   0.124
   0.124

4. Interim Backout Credit
   0.000
   (0.800)
   (0.800)
   0.000

5. Research and Development Surcharge
   0.179
   0.179
   0.179
   0.179

   0.053
   N/A
   N/A
   N/A

7. Peak Shaving Supply
   N/A
   0.026
   0.026
   0.026

8. Pipeline Refund (January - December 2004)
   (1.920)
   0.000
   0.000
   0.000

9. Interim Backout Lost Revenue Adjustment
   0.244
   0.244
   0.244
   0.000

10. MONTHLY GAS ADJUSTMENT
    (1.679)
    (1.977)
    (1.084)
    (0.528)

B. Balancing Fee - Applicable to Service Classification No. 6 Only
   (November - March):
   0.0000
   0.0000
   0.0000
   0.0000

C. Conversion Factor - Applicable to Service Classification No. 6 Only (therms/ccf)
   1.034
   1.034
   1.034
   1.034

D. Increase in Rates and Charges:
   Revenue tax surcharge factors shall be applied to all rates and charges in accordance with General Information Section 15.

Issued by: John D. McMahon, President, Pearl River, NY
# Statement of Interruptible Gas Rates

Effective for Billing Periods Beginning On and After August 29, 2004
Applicable to Billing under Service Classification No. 3 of
the Schedule for Gas Service of

**ORANGE AND ROCKLAND UTILITIES, INC.**

<table>
<thead>
<tr>
<th>Line Number</th>
<th>Unit Charge</th>
<th>Unit Markup</th>
<th>Effective Charge in Certain Villages and Cities.</th>
<th>Effective Charge in All Other Areas.</th>
<th>Weighted Average Cost of Transportation Used in the Determination of the Penalty Charge and the Emergency Service Charge.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Maximum Allowable Unit Charge</td>
<td>21.790</td>
<td>18.000</td>
<td>79.620</td>
<td>$79.620</td>
</tr>
<tr>
<td></td>
<td>a) Tail Block Delivery Rate of SC2</td>
<td>21.790</td>
<td></td>
<td>79.620</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Plus the GSC (Statement No. GSC-46)</td>
<td>56.250</td>
<td>16.000</td>
<td>84.705</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Plus the MGA (Statement No. MGA-46)</td>
<td>1.679</td>
<td>0.000</td>
<td>108.085</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Total Maximum Allowable Unit Charge</td>
<td>106.369</td>
<td>23.000</td>
<td>106.999</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Minimum Allowable Unit Charge</td>
<td>58.443</td>
<td>18.000</td>
<td>78.372</td>
<td>60.372</td>
</tr>
<tr>
<td></td>
<td>a) Average Commodity Cost of Gas Purchased</td>
<td>58.443</td>
<td></td>
<td>78.372</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Factor of Adjustment (Statement No. GSC-46)</td>
<td>1.033</td>
<td></td>
<td>78.372</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Minimum Allowable Unit Charge</td>
<td>60.372</td>
<td></td>
<td>78.372</td>
<td></td>
</tr>
</tbody>
</table>

### Applicable to Interruptible Customer Category:

<table>
<thead>
<tr>
<th>Interruptible Customer Category</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>/CCF</td>
<td>$/CCF</td>
</tr>
<tr>
<td>3. Unit Charge</td>
<td>78.372</td>
<td>83.372</td>
<td>106.361</td>
</tr>
<tr>
<td>4. Unit Markup (line 3 - line 2c)</td>
<td>18.000</td>
<td>23.000</td>
<td>45.989</td>
</tr>
<tr>
<td>5. Effective Charge in Certain Villages and Cities.</td>
<td>79.620</td>
<td>84.705</td>
<td>108.085</td>
</tr>
<tr>
<td>6. Effective Charge in All Other Areas.</td>
<td>78.821</td>
<td>83.854</td>
<td>106.999</td>
</tr>
<tr>
<td>7. Weighted Average Cost of Transportation Used in the Determination of the Penalty Charge and the Emergency Service Charge.</td>
<td>$17.2900</td>
<td>/Dth</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** Customer Categories are defined as:

Category A - No. 6 Oil, 2% sulfur content or higher
Category B - No. 6 Oil, less than 2% sulfur content
Category C - All Others

For a list of applicable Villages and Cities, see Statement of Increase in Rates and Charges.

Issued by: John D. McMahon, President, Pearl River, NY
STATEMENT OF DUAL FUEL GAS RATES

Effective for Billing Periods Beginning On and After August 29, 2004
Applicable to Billing Under Service Classification No. 5 of
the Schedule for Gas Service of

ORANGE AND ROCKLAND UTILITIES, INC.

1. Maximum Allowable Unit Charge
   a) Tail Block Delivery Rate of SC2 21.790
   b) Plus the GSC (Statement No. GSC-46) 86.250
   c) Plus the MGA (Statement No. MGA-46) (1.6790)
      TOTAL 106.361

2. Minimum Allowable Unit Charge
   a) Average Cost of Gas Purchased (Statement No. GSC-46) 80.694
   b) Factor of Adjustment 1.033
   c) Average Commodity Cost of Gas Sold 83.357
   d) Plus Transition Surcharge 0.893
      TOTAL 84.250

Applicable to Interruptible Customer Category:

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>$/CCF</td>
<td>$/CCF</td>
<td>$/CCF</td>
</tr>
<tr>
<td>106.361</td>
<td>106.361</td>
<td>106.361</td>
</tr>
</tbody>
</table>

3. Unit Charge
   108.054
4. Effective Charge in Certain Villages and Cities.
   108.054
5. Effective Charge in All Other Areas.
   106.968

NOTE: Customer Categories are defined as:
   Category A - No. 6 Oil, 2% sulfur content or higher
   Category B - No. 6 Oil, less than 2% sulfur content
   Category C - All Others

For a list of applicable Villages and Cities, see
Statement of Increase in Rates and Charges.

Issued by: John D. McMahon, President, Pearl River, NY
# STATEMENT OF NATURAL GAS VEHICLE RATES

Effective for Billing Periods Beginning On and After August 29, 2004
Applicable to Billing Under Service Classification No. 7 of
the Schedule for Gas Service of

ORANGE AND ROCKLAND UTILITIES, INC.

<table>
<thead>
<tr>
<th>Line Number</th>
<th>INITIAL TERM</th>
<th>THEREAFTER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>106.361</td>
<td>106.361</td>
</tr>
<tr>
<td>2.</td>
<td>65.372</td>
<td>65.372</td>
</tr>
<tr>
<td>3.</td>
<td>173.250</td>
<td>173.250</td>
</tr>
<tr>
<td>4.</td>
<td>35.000</td>
<td>25.000</td>
</tr>
<tr>
<td>5.</td>
<td>138.250</td>
<td>148.250</td>
</tr>
<tr>
<td>6.</td>
<td>1.000</td>
<td>1.000</td>
</tr>
<tr>
<td>7.</td>
<td>125.682</td>
<td>134.773</td>
</tr>
<tr>
<td>8.</td>
<td>106.361</td>
<td>106.361</td>
</tr>
<tr>
<td>9.</td>
<td>108.085</td>
<td>108.085</td>
</tr>
<tr>
<td>10.</td>
<td>106.999</td>
<td>106.999</td>
</tr>
</tbody>
</table>

**Note:**
For a list of applicable Villages and Cities, see
Statement of Increase in Rates and Charges.

Effective Charges do not include any applicable Federal, State and/or local taxes.

Issued by:  John D. McMahon, President, Pearl River, NY
**STATEMENT OF INTERRUPTIBLE TRANSPORTATION AND SUPPLEMENTAL SALES CHARGES**

Effective for Billing Periods Beginning On and After August 29, 2004

Applicable to Billing Under Service Classification No. 8 of the Schedule for Gas Service of

ORANGE AND ROCKLAND UTILITIES, INC.

| Line Number | Description | Rate/CCF | Effective Charges/
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Maximum Allowable Base Charge</td>
<td>$21.790</td>
<td>$16.790</td>
</tr>
<tr>
<td></td>
<td>Tail Block Delivery Rate of SC2 Minus 5 Cents per Ccf</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Minimum Allowable Unit Charge</td>
<td>$60.372 X 0.05</td>
<td>$3.019</td>
</tr>
<tr>
<td>3.</td>
<td>Base Charge</td>
<td>$5.600</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Transportation Charge</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>First 1000 CCF or less</td>
<td>$150.00</td>
<td>$152.55</td>
</tr>
<tr>
<td></td>
<td>Next 49,000 CCF @</td>
<td>$10.600</td>
<td>$10.780</td>
</tr>
<tr>
<td></td>
<td>Next 50,000 CCF @</td>
<td>$8.100</td>
<td>$8.238</td>
</tr>
<tr>
<td></td>
<td>Over 100,000 CCF @</td>
<td>$5.600</td>
<td>$5.695</td>
</tr>
<tr>
<td>5.</td>
<td>Weighted Average Cost of Transportation Used in the Determination of Over and Under-Delivery Charges, Penalty Charges and the Emergency Service Charge</td>
<td>$17,2900 /Dth</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** For the Supplemental Sales Charges, see STATEMENT OF INTERRUPTIBLE GAS RATES STATEMENT NO. IGR - 84

For a list of applicable Villages and Cities, see Statement of Increase in Rates and Charges.

* Line 5 is also applicable to Service Classification Nos. 13 and 14.

Issued by: John D. McMahon, President, Pearl River, NY
STATEMENT OF RATES TO QUALIFIED SELLERS AND FIRM TRANSPORTERS OF GAS

Effective for Service Rendered On or After September 1, 2004
Applicable to the Billing Under Service Classification No. 11 of
the Schedule for Gas Service of

ORANGE AND ROCKLAND UTILITIES, INC.

A. Weighted Average Cost of Firm Pipeline Capacity $14.4400 /Dth

B. Winter Bundled Sales ("WBS"):
   WBS Gas Purchases (November - March) $0.0000 /Dth

C. Conversion Factor (Dth/Mcf) 1.034

D. Increase in Rates and Charges:
   Revenue tax surcharge factors shall be applied to all rates and charges in accordance
   with General Information Section 15.

Issued by:  John D. McMahon, President, Pearl River, NY