STATEMENT OF ENERGY COST ADJUSTMENT

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

ORANGE AND ROCKLAND UTILITIES, INC.

**Base ECA**

Reconciliation Adjustment 12 Months Ended December 2005 (including interest) $127,296

Estimated Above Market Payments to NUGs 12 Months Ending December 2006 $504,329

Total Reconciliation, Above-Market NUG to be Recovered $631,625

Forecast Annual Billed Sales (kWh) 3,986,103,000

Reconciliation, Above-Market NUG and Load Pocket Call Option Component of ECA (per kWh) $0.00016

Western Load Pocket Permanent Mitigation Revenue Requirement for 2006 $1,845,958

Forecast Annual Billed Sales (kWh) 3,986,103,000

Western Load Pocket Permanent Mitigation Component of ECA (per kWh) $0.00046

Total Base Energy Cost Adjustment Rate (per kWh)* $0.00062

**Variable ECA**

Transmission Congestion Contracts (Credits)/Charges for Sep ’06 $35,745

Forecast Monthly Billed Sales (kWh) 372,151,000

Total Variable Energy Cost Adjustment Rate (per kWh) $0.00010

**Total (Base plus Variable) ECA per kWh** * $0.00072

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

Issued: August 25, 2006
Effective: September 1, 2006

Issued By: John D. McMahon, President
Pearl River, New York 10965
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ORANGE AND ROCKLAND UTILITIES, INC.

Base ECA Percentages Applicable To Service Classification No. 25
(to be applied to Customer Charges and Delivery Charges)

Rate 1
Secondary 3.57%
Primary 4.44%

Rate 2
7.89%

Rate 3
Primary 8.63%
Substation 11.55%
Transmission 23.33%

Rate 4
Primary 11.48%
Substation 23.13%
Transmission 31.06%

Variable ECA (Credits)/Charges Applicable To Service Classification No. 25

For all Rates 1 through 4 $0.00010 per kWh

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