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
Forecast Annual Billed Sales (kWh) 3,986,103,000
Reconciliation Component of ECA (per kWh) $0.00003
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
Non-Utility Generator (NUG) Contract Buyout Costs 0.00014
Total Base Energy Cost Adjustment Rate (per kWh)* $0.00063

Variable ECA

Transmission Congestion Contracts (Credits)/Charges for Jan '07 ($1,289,502)
Forecast Monthly Billed Sales (kWh) 343,300,000
Total Variable Energy Cost Adjustment Rate (per kWh) ($0.00376)

Total (Base plus Variable) ECA per kWh * ($0.00313)

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

Issued: December 22, 2006 Effective: January 1, 2007
Issued By: John D. McMahon, President Pearl River, New York 10965
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 Percentages Applicable To Service Classification No. 25
(to be applied to Customer Charges and Delivery Charges)

<table>
<thead>
<tr>
<th>Rate</th>
<th>Secondary</th>
<th>Primary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate 1</td>
<td>3.57%</td>
<td>4.44%</td>
</tr>
</tbody>
</table>

Rate 2
7.89%

Rate 3
<table>
<thead>
<tr>
<th>Primary</th>
<th>Substation</th>
<th>Transmission</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.63%</td>
<td>11.55%</td>
<td>23.33%</td>
</tr>
</tbody>
</table>

Rate 4
<table>
<thead>
<tr>
<th>Primary</th>
<th>Substation</th>
<th>Transmission</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.48%</td>
<td>23.13%</td>
<td>31.06%</td>
</tr>
</tbody>
</table>

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

For all Rates 1 through 4 ($0.00376) per kWh

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