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 2006 (including interest) $(55,423)
- Estimated Above Market Payments to NUGs 12 Months Ending December 2007 $0
- Total Reconciliation, Above-Market NUG to be Recovered $(55,423)
- Forecast Annual Billed Sales (kWh) 3,990,882,000
- Reconciliation and Above-Market NUG Component of ECA (per kWh) $(0.00001)
- Western Load Pocket Permanent Mitigation Revenue Requirement for 2007 $1,728,587
- Forecast Annual Billed Sales (kWh) 3,990,882,000
- Western Load Pocket Permanent Mitigation Component of ECA (per kWh) $0.00043
- Non-Utility Generator (NUG) Contract Buyout Costs 0.00014
- Total Base Energy Cost Adjustment Rate (per kWh)* $0.00056

**Variable ECA**

- Transmission Congestion Contracts (Credits)/Charges for Sep '07 $(9,899)
- Forecast Monthly Billed Sales (kWh) 386,560,000
- Total Variable Energy Cost Adjustment Rate (per kWh) $(0.00003)

**Total (Base plus Variable) ECA per kWh** * $0.00053

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

Issued: August 29, 2007
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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 1.14%
Primary 1.46%

Rate 2
2.57%

Rate 3
Primary 2.62%
Substation 4.84%
Transmission 8.27%

Rate 4
Primary 3.72%
Substation 6.86%
Transmission 9.45%

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

For all Rates 1 through 4 ($0.00003) per kWh

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