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 1.0062 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:

<table>
<thead>
<tr>
<th>COUNTY</th>
<th>SURCHARGE FACTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orange County</td>
<td>0.9939</td>
</tr>
<tr>
<td>Rockland County</td>
<td>0.9939</td>
</tr>
<tr>
<td>Sullivan County</td>
<td>1.0000</td>
</tr>
</tbody>
</table>

ISSUED: October 31, 2003  EFFECTIVE: November 1, 2003

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

(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:

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Residential</th>
<th>Non-Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certain Municipalities*</td>
<td>0.9815</td>
<td>0.9675</td>
</tr>
<tr>
<td>All Other Municipalities</td>
<td>0.9915</td>
<td>0.9775</td>
</tr>
</tbody>
</table>

*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 Pierrmont
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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