STATEMENT OF SYSTEM BENEFITS CHARGE

Effective for Service Rendered On or After April 1, 2010
Applicable to the Billing of Residential Customers Under Service Classification Nos. 1 and 6 of the Schedule for Gas Service of

ORANGE AND ROCKLAND UTILITIES, INC.

(I) Annual SBC Collection Target

2010 SBC Collection Target (January through December 2010) $467,019
(Over)/Under Collection for period January through December 2009 7,193
Total 2010 SBC Collection Target (line 1 + line 2) $474,212
Forecast Residential Billed Sales January through December 2010 (Ccf) 137,925,610
SBC Rate (cents per Ccf) 0.344

(II) Adjustment based on the January 4, 2010 Order in Case No. 08-E-1128

2010 SBC Collection Target (April through December) (08-E-1128) $528,294
Forecast Residential Billed Sales April through December 2010 (Ccf) 68,230,730
SBC Rate (cents per Ccf) 0.774

Combined SBC Rate (cents per Ccf) 1.118

Issued by: William Longhi, President, Pearl River, NY