STATEMENT OF SYSTEM BENEFITS CHARGE

Effective for Service Rendered On or After October 1, 2010
Applicable to the Billing of Customers Under Service Classification Nos. 1, 2 and 6 of the Schedule for Gas Service of

ORANGE AND ROCKLAND UTILITIES, INC.

(I) Annual SBC Collection Target based on the June 23, 2008 Order in Case No. 07-M-0548

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

(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
Total to be Recovered in 2010 $1,002,506
Estimated Recoveries January 2010 through September 2010 $528,963
Remainder to be Recovered October 2010 through December 2010 $473,543

(III) Adjustment based on the June 24, 2010 Order in Case No. 07-M-0548

2010 SBC Collection Target (October through December) (07-M-0548) $322,890
Total to be Recovered in October through December 2010 $796,433
Forecast Billed Sales October through December 2010 (Ccf) 45,721,130

SBC Rate (cents per Ccf) 1.742

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