

November 5, 2010

Re: Case 10-E-0362 – Proceeding on Motion of the Commission as to the Rates Charges, Rules and Regulations of Orange and Rockland Utilities, Inc. for Electric Service

PRELIMINARY UPDATE

Orange and Rockland Utilities, Inc. (“O&R” or the “Company”) hereby submits its preliminary update, pursuant to the *Ruling on Schedule and Other Procedural Matters* issued October 5, 2010 in the above-referenced proceeding. In accordance with recent practice in O&R base rate proceedings, this preliminary update reflects changes to the exhibits filed by the Company’s Accounting and Finance witnesses (i.e., Messrs. Kane, Kosior, Perkins and Hutcheson) and by the Forecasting Panel for known changes and corrections. The Company’s filing was based on a Test Year ended March 31, 2010.

The Company will support these and any other accounting adjustments (including material changes arising or identified after this preliminary update), and any updates to non-accounting items, when the Company submits its Update/Rebuttal Testimony in January 2011. The Company will notify the parties in a timely manner, as appropriate, in the event of a material update resulting from an unexpected and/or extraordinary event that occurs before the date of that formal update.

Company Exhibits E-2 (Electric Rate Base), E-3 (Electric Sales and Revenues), E-4 (Electric Revenue Requirement), E-5 (Electric Operating Expenses), E-7 (Multi-Year Forecast), and E-8 (Cost of Capital) have been updated and are attached. These exhibits represent a preliminary update of the Company’s electric revenue requirement in this proceeding. The update results in an increase to the Company’s revenue requirement of approximately \$2.7 million. This increase is primarily attributable to higher than previously projected pension and other postemployment benefit (“OPEB”) costs, increases in health insurance premiums and property taxes. The increase in these costs is partially offset by reductions to rate base attributable to Bonus Depreciation and additional tax deductions for the Repair Allowance, increases in the level of forecasted deferred credits, and lower uncollectible expenses.

In addition, the increase in pension and health insurance costs noted above will also result in an increase the Company’s fringe benefit rate and associated capitalized costs. The Company estimates this increase in pension and health insurance costs would add an additional \$3.0 million per year on a consolidated basis or approximately \$12.0 million in incremental capitalized costs over the three-year period. The Company has not reflected increased capital expenditures and associated plant additions for this increase as a result of its ongoing cost management efforts. Instead, the Company will absorb these increases in the management and prioritization of its entire capital budget.

The revenue requirement for Rate Year 2 has increased by \$0.5 million primarily due primarily to the timing of stray voltage remediation costs and for higher property tax projections. The revenue requirement for Rate Year 3 has increased by \$1.2 million primarily due to higher property taxes and lower sales revenues. Partially offsetting those increases was the shift of stray voltage remediation costs to Rate Year 2.

Rate Base (Exhibit E-2)

The Company's update to rate base results in a net decrease of approximately \$11 million. Details of the adjustments are included in Exhibit E-2, Schedule 11. The Company's rate base schedules include corrections to the amounts included in the original filing, updates to reflect September 30, 2010 balances and new items previously not included (e.g., 2010 bonus depreciation and additional repair allowance deductions).

The Company's original filing contained some computational errors that net to a \$5.6 million reduction to rate base. The original filing contained amounts that understated the monthly average common plant balances, overstated historical deferral balances and the EB-Cap adjustment.

The rate base update also reflects the impact of higher property tax prepayments associated with the update of property taxes (described below), the working capital impact of changes to operation and maintenance ("O&M") expenses, and updates to deferral balances. These adjustments result in a net increase to rate base of approximately \$800,000.

Finally, the rate base update includes three new items that result in a \$6.5 million net decrease to rate base as follows:

- A \$4.8 million rate base reduction for deferred income taxes related to new legislation recently passed that provides for Bonus Depreciation on 2010 plant additions;
- A \$1.7 million decrease in deferred income taxes to reflect the change in accounting method used in the calculation of the repair allowance deduction for 2010 and prior years as reflected in the Company's 2010 federal income tax return filed in September 2010; and
- A \$0.03 million increase to reflect the deferred balance related to deferred smart grid project carrying costs.

Sales & Revenues (Exhibit E-3)

The Company has updated its forecast models to include the latest economic information from Economy.com along with historical data through the second quarter of 2010. The new forecast resulted in increased delivery sales volumes, lower non-competitive delivery revenues and higher competitive revenues as compared to the Company's initial filing. The overall impact of the update was a reduction of approximately \$0.2 million in net revenues (see Exhibit E-4, Schedule 14, adjustments 1a and 1b).

Power Supply billings decreased by approximately \$1.6 million in Rate Year 1 (i.e., July 1, 2011 – June 30, 2012) primarily as a result of a correction to the level of property taxes included in the Company’s original calculations.

Electric Revenue Requirement (Exhibit E-4)

In addition to the rate base adjustment contained in Exhibit E-2, the revenue adjustment discussed above for Exhibit E-3, the O&M adjustments discussed below and shown on Exhibit E-5, and the capitalization updates contained in Exhibit E-8, Exhibit E-4 also includes the following updates:

Other Operating Revenues (Regulatory Deferrals & Credits):

Other operating revenues increased by approximately \$1.3 million from the levels included in the Company’s original filing. The favorable increase is primarily driven by the following:

- The Company updated its estimate of plant carrying charges to be deferred for customers’ benefit by approximately \$0.9 million. The carrying charges relate to the lower than forecast plant additions under the current rate plan. In addition, current interest rates are lower than the levels included in the current rate plan. Based on the favorable interest cost variations the Company is currently experiencing on pollution control debt, it is anticipated that the current deferral of approximately \$0.3 million will be eliminated by the start of the Rate Year. The favorable increases in other operating revenues were partially offset by the elimination of 2007 State income tax benefits which were passed back in Case 07-E-0949 and for a correction to the three-year average of agency checks dishonored totaling \$147,000.
- Finally, pursuant to the Commission’s Order in Case 09-E-0310, dated October 19, 2010, the deferred carrying costs for Smart Grid Projects through June 30, 2010 have been included in the update. The Company is requesting recovery of this cost over three years and reflected an amortization of \$19,000 per year in other operating revenues.

Taxes Other than Income Taxes

The following adjustments and updates were reflected in taxes other than income taxes:

1. Property taxes were updated for the following:
 - The RY 1 property taxes were increased by \$525,730. This increase is driven mainly by higher-than-forecast school taxes paid in September 2010. Village taxes were also updated for actual payments made in June 2010 that were not available at the time of the original filing. (See Company response to DPS-45)¹ The update for Village taxes lowered the revenue requirement.
 - 2010 county and school taxes were updated to reflect payments for Company equipment at the Bowline generating station as well as for a tax refund received from the Town of Wawayanda. Both items were overlooked in computations at the time of the original filing. (See Company response to DPS-113)

¹ The Company includes references to its responses to Department of Public Service interrogatories in those instances where the Company’s response indicated that an adjustment would be included in this Preliminary Update.

- The five-year average rate used to escalate future property taxes was updated to reflect the impact of known tax payments made during 2010.
- 2. The amortization of deferred property and MTA mobility taxes increased by \$630,000 and \$85,000, respectively, to reflect the impact of higher deferred expenditures through September 30, 2010.
- 3. Taxes other than income taxes increased by \$9,000 to reflect a correction to the MTA mobility tax rate from 0.33% (used in the original filing) to 0.34%.
- 4. Revenue taxes were reduced by \$42,000 to reflect the change in revenue tax recoveries.

Book Depreciation

No changes were made to the Company's requested depreciation expense.

Income Taxes

State and federal income tax calculations were updated to reflect the impact of changes described throughout this document.

Operating and Maintenance Expenses (Exhibit E-5)

The following adjustments and updates were reflected in O&M expenses:

1. Purchase Power Expense decreased by \$1,534,000 to reflect the change in the Market Supply Charge. This adjustment is matched in revenues and does not impact the revenue requirement.
2. Direct Labor decreased by \$124,000 due to the following:
 - An adjustment of \$92,000 reflects a reduction in the management wage increase from 3.0% to 2.5% effective July 2011 consistent with the Company's ongoing cost consciousness and austerity initiatives. This wage increase is lower than the projected average annual increase as outlined in the Company response to DPS4-19; and
 - An adjustment of \$32,000 was made to remove the capital portion of the labor cost for the Stray Voltage Field Supervisor (See Company response to DPS5-24).
3. Shared Services decreased by \$78,000 due to the following:
 - Excess Liability Insurance billed through Shared Services decreased by \$65,000 to reflect the Commission's Order issued November 13, 2008 in Case 08-S-0153, which limited the amounts that the Company could seek to recover for excess liability insurance premiums through April 27, 2012. (See Company response to DPS25-150); and
 - A reduction in the management wage increase from 3.0% to 2.5% which lowered Shared Service charges by \$13,000.
4. Employee and Other Insurance increased by \$526,000 due to:

- An increase in health insurance of \$732,000 to reflect known increases in health insurance premiums for 2011;
 - A decrease in General Liability Insurance expense of \$276,000 to reflect a normalizing adjustment that was omitted in the original filing (See Company response to DPS 10-57); and
 - An adjustment to Capitalized and Recovered Worker's Compensation which increased Employee and Other Insurance costs by \$70,000. The adjustment is due to a calculation error that included this item as part of capitalized overhead.
5. Pension/OPEB expenses increased by \$4,048,000 to reflect the impact of the latest actuarial update prepared by Buck Consultants on October 13, 2010. The updated actuarial study includes the impact of changes in assumptions for the forecast discount rate and return on plan assets for 2010. It should be noted that this updated amount is a preliminary update pending Buck Consultant's final assessment for 2010 which will be known in January 2011 and the Company will reflect that result in its formal update.
 6. Customer uncollectibles expense decreased by \$471,000 due to lower net write-off's as a percentage of billed revenues for the twelve months ended September 30, 2010, than were experienced during the twelve months ended March 30, 2010. Sundry uncollectible expense increased by \$10,000 to reflect the actual level of write-offs during the twelve- month period ended September 30, 2010.
 7. The amortization of deferred MGP remediation expense decreased by \$12,000 to reflect the impact of lower deferred expenditures through September 30, 2010.
 8. Stray Voltage Repair Program expenses increased by \$17,000 as a result of a correction to the levels included in the Company's original filing.
 9. Distribution SCADA Maintenance and Support program expense decreased by \$133,000 based on actual vendor quotes for the maintenance, software and support required for the program.
 10. The Storm Reserve amortization increased by \$355,000 to reflect the impact of higher deferred expenditures through September 30, 2010.
 11. Regulatory Commission expense decreased by \$29,000 to reflect the latest assessment billed by the Commission in August 2010.
 12. System Benefit Charge/Renewable Portfolio Standard program expense increased by \$163,000 to match the projected surcharges to be billed to customers.
 13. Other O&M was reduced by \$273,000 to reflect the elimination of the program spending for the Telephone/LAN Upgrade in RY1 which is delayed until RY3.

14. The R&D amortization decreased by \$93,000 to reflect the impact of lower deferred expenditures through September 30, 2010.

Multiyear Rate Plan (Exhibit E-7)

The revenue requirement for Rate Year 2 increased by \$0.5 million primarily due to the following factors:

- The timing of in stray voltage remediation costs that were accelerated in part from RY3 to RY2 of \$1.0 million;
- Increase property tax projections of 0.5 million;
- Lower projected net revenues of \$0.5 million; and
- Partially offsetting these increases was the time of income tax deductions between RY3 and RY2 of \$1.3 million and lower O&M costs of \$0.2 million.

The \$1.2 million increase for the RY3 revenue requirement was primarily driven by:

- Increase property tax projections of \$0.9 million;
- Lower projected net revenues of \$0.6 million;
- Income tax variations of \$0.9 million due to a shift between RY2 and RY3; and
- Partially offsetting these increases was the timing of in stray voltage remediation costs that were accelerated in part from RY3 to RY2 of \$1.0 million.

Capitalization and Cost of Financing Updates (Exhibit E-8)

Long-term debt issuances & retirements:

The \$55 million variable rate Pollution Control bond was retired during August 2010. In the original filing, it had a projected cost of 7.32%. A new \$55 million bond issued on August 12, 2010, with a fixed rate of 2.5% and maturity date of August 15, 2015 was used to refinance the pollution debt. The annual cost of this bond will be 2.67%.

The Company also issued a 30-year bond in the amount of \$115 million on the same day. This bond matures on August 15, 2040 and has a fixed rate of 5.5%. The annual cost of the bond will be 5.58%.

Interest rate/expense forecast:

The interest rate forecast for the existing \$44 million pollution control bond was decreased from 3.76% to 3.51%. In addition, the update includes the amortization of deferred costs on reacquired debt in the amount of \$494,073 annually; this cost was inadvertently omitted from the Company's original filing. The overall cost of long-term debt decreased from 5.95% to 5.50% in the update filing after reflecting the aforementioned retirements, new bond issues and interest rate adjustments.

Customer Deposits:

The projected customer deposit balance was updated to reflect actual data as of September 30, 2010.

Equity Balances:

The projected equity balance was updated to include actual data through September 30, 2010.

CASE 10-E-0362 NOVEMBER 5, 2010 UPDATE EXHIBIT E-2

ORANGE AND ROCKLAND UTILITIES, INC.

INDEX OF SCHEDULES

Electric Rate Base
For the Twelve Months Ending
March 31, 2010 and June 30, 2012

<u>SCHEDULE</u>	<u>TITLE OF SCHEDULE</u>	<u>WITNESS</u>
Summary	Electric Rate Base	R. A. Kane
1	Electric Rate Base for the Twelve Months Ended March 31, 2010	"
2	Electric Rate Base for the linking period March 31, 2010 to June 30, 2011	"
3	Electric Rate Base for the Twelve Months Ending June 30, 2012	"
4	Electric and Common Plant in Service	"
6	Electric Working Capital - Summary	"
7	Cash Working Capital - Electric	"
9	Electric Working Capital - Prepayments	"
10	Computation of Earnings Base/Capitalization Adjustment	"
11	Summary of Adjustment to Rate Base	"

ORANGE AND ROCKLAND UTILITIES, INC.

AVERAGE ELECTRIC RATE BASE
TWELVE MONTHS ENDED JUNE 30, 2010
(\$000s)

Line	DESCRIPTION	PER COMPANY AS FILED	UPDATE		PER COMPANY
		AVERAGE TWELVE MONTHS ENDED JUNE 30, 2012	UPDATE/ ADJUSTMENTS	REF	AVERAGE TWELVE MONTHS ENDED JUNE 30, 2012
<u>UTILITY PLANT:</u>					
1	ELECTRIC PLANT IN SERVICE	\$ 961,565	\$ -		\$ 961,565
2	ELECTRIC PLANT HELD FOR FUTURE USE	10,018	-		10,018
3	COMMON UTILITY PLANT (ELECTRIC ALLOC.)	117,953	1,493	A	119,446
4	CWIP NOT TAKING INTEREST	13,817	-		13,817
5	TOTAL UTILITY PLANT	<u>1,103,353</u>	<u>1,493</u>		<u>1,104,846</u>
<u>UTILITY PLANT RESERVES:</u>					
6	ELECTRIC PLANT IN SERVICE (INCLUDES FUTURE USE PLANT) ACC. PROV. FOR DEPRECIATION OF	(301,942)	-		(301,942)
7	AMORTIZATION OF COMMON PLANT ACC. PROV. FOR DEPRECIATION &	<u>(53,427)</u>	<u>-</u>		<u>(53,427)</u>
8	TOTAL UTILITY PLANT RESERVES	<u>(355,369)</u>	<u>-</u>		<u>(355,369)</u>
9	<u>NET PLANT</u>	747,984	1,493	A	749,477
<u>WORKING CAPITAL REQUIREMENTS:</u>					
10	O&M EXPENDITURES	23,149	115	K	23,265
11	MATERIALS & SUPPLIES	6,178	-		6,178
12	PREPAYMENTS	8,475	179	L	8,654
<u>REGULATORY ASSETS & OTHER RATE BASE ADDITIONS:</u>					
13	DEFERRED UNBILLED REVENUE 173100	20,215	-		20,215
14	DEFERRED PURCHASED POWER VARIOUS	2,404	-		2,404
15	DEFERRED M.T.A. SURTAX - (NET OF FIT) VARIOUS	1,406	108	B	1,515
16	DEFERRED M.T.A. MOBILITY TAX - (NET OF FIT) 182448	183	128	M	311
17	DEFERRED MFC CREDIT AND COLLECTION (NET OF FIT) 182505/506/507	613	-		613
18	DEFERRED STORM RESERVE EXPENDITURES (NET OF FIT) 182373/228450	4,500	536	N	5,036
19	DEFERRED ENVIRONMENTAL EXPENDITURES (NET OF FIT) MGP 182376/377/242375	5,780	(89)	O	5,691
20	DEFERRED ENVIRONMENTAL EXPENDITURES (NET OF FIT) WEST NYACK 182372/182374/2423	82	14	P	96
21	DEFERRED ENVIRONMENTAL EXPENDITURES (NET OF FIT) COTTMAN / NEWARK BAY / BORN	226	60	Q	286
22	DEFERRED R & D EXPENDITURES (NET OF FIT) 188100/104	853	(141)	R	712
23	DEFERRED POLLUTION CONTROL DEBT (NET OF FIT) 182518	442	(442)	S	-
24	DEFERRED WORKERS COMP EXPENSE (NET OF TAX) 182571/319/229105	119	-		119
25	DEFERRED INTEREST OF 263A AND BONUS DEPRECIATION 182608	-	-		-
26	DEFERRED LOW INCOME PROGRAM (NET OF FIT) 182405/254420/254430	257	(23)	T	234
27	DEFERRED PROPERTY TAX UNDERCOLLECTION 254376/182406	2,652	950	U	3,602
28	DEFERRED PROPERTY TAX REFUND (NET OF FIT) 254083/084	152	-		152
29	DEFERRED PROPERTY TAX REFUND COST TO ACHIEVE (NET OF FIT) 254095	-	-		-
30	DEFERRED RATE CASE COST (NET OF FIT)	-	76	V	76
31	DEFERRED SMART GRID STIMULUS PROJECT (NET OF FIT)	-	29	AB	29
<u>REGULATORY (LIABILITIES) & OTHER RATE BASE DEDUCTIONS:</u>					
32	ACCRUED PENSION LIABILITY - RATE BASE IMPUTATION	-	-		-
33	DEFERRED CARRYING CHARGES NET PLANT RECONCILIATION (NET OF FIT) 254331	(12,642)	(1,315)	W	(13,957)
34	DEFERRED PERFORMANCE RELIABILITY REVENUE ADJUSTMENT (NET OF FIT) 229620	(204)	(503)	X	(707)
35	DEFERRED ACCUM PROV FOR RATE REFUND-SIT RATE CHANGE (NET OF FIT) 229116	(131)	131	Y	0
36	DEFERRED CURRENT NYS TAX RATE CHANGE (NET OF FIT) 254313	(180)	28	Z	(152)
37	CONSERVATION COST - NET OF TAX 182401/254401	(223)	-		(223)
38	DEFERRED OIL SUPPLIER REFUNDS (70% - NET OF FIT) 253151/064	(83)	-		(83)
39	CUSTOMER ADVANCES FOR CONSTRUCTION (NET OF FIT) 252011/013/300	(19)	-		(19)
40	DEFERRED CATV BILLING (NET OF FIT) 254344	(57)	(117)	AA	(174)
<u>ACCUM. DEFERRED INCOME TAXES</u>					
41	ACCUM. DEFERRED FIT - ACRS / ADR /MCRS VARIOUS	(74,503)	(5,140)	G	(79,643)
42	ACCUM. DEFERRED FIT - 263(A) CAPITALIZED OVERHEADS 283140/128001	(35,365)	2,509	H	(32,856)
43	ACCUM. DEFERRED FIT - 263(A) CAPITALIZED OVERHEADS-UPDATE	-	1,215	AB	1,215
44	ACCUM. DEFERRED SIT VARIOUS	(9,111)	487	I	(8,624)
45	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(933)	-		(933)
46	CHANGE IN ACCOUNTING / REPAIR ALLOWANCE 283150	-	(1,773)	AD	(1,773)
47	BONUS DEPRECIATION	-	(4,808)	AE	(4,808)
48	AVERAGE ELECTRIC RATE BASE	692,218	(6,293)		685,925
49	RATE BASE (OVER) / UNDER CAPITALIZATION	<u>(9,327)</u>	<u>(4,367)</u>	J	<u>(13,695)</u>
50	TOTAL AVERAGE ELECTRIC RATE BASE	<u>\$ 682,891</u>	<u>\$ (10,661)</u>		<u>\$ 672,230</u>

ORANGE AND ROCKLAND UTILITIES, INC.

AVERAGE ELECTRIC RATE BASE
TWELVE MONTHS ENDED MARCH 31, 2010
AND JUNE 30 2012
(\$000s)

Line	DESCRIPTION	PER COMPANY AS FILED			CORRECTED			ADJUSTMENTS		AS FILED		UPDATE	
		AVERAGE ACTUAL TWELVE MONTHS ENDED MARCH 31, 2010	HISTORICAL YEAR BALANCES CORRECTION	REF	AVERAGE ACTUAL TWELVE MONTHS ENDED MARCH 31, 2010	TO REFLECT CONDITIONS IN RATE YEAR	SUBTOTALS	ADJUSTMENTS/ AMORTIZATION TO RATE BASE	UPDATE/ ADJUSTMENTS	REF	AVERAGE TWELVE MONTHS ENDED JUNE 30, 2012		
<u>UTILITY PLANT:</u>													
1	ELECTRIC PLANT IN SERVICE	\$ 795,503	\$ -		\$ 795,503	\$ 166,062	\$ 961,565	\$ -	\$ -		\$ 961,565		
2	ELECTRIC PLANT HELD FOR FUTURE USE	9,316	-		9,316	702	10,018	-	-		10,018		
3	COMMON UTILITY PLANT (ELECTRIC ALLOC.)	103,700	1,493	A	105,193	14,253	119,446	-	-		119,446		
4	CWIP NOT TAKING INTEREST	13,771	-		13,771	46	13,817	-	-		13,817		
5	TOTAL UTILITY PLANT	922,290	1,493		923,783	181,063	1,104,846	-	-		1,104,846		
<u>UTILITY PLANT RESERVES:</u>													
6	ACC. PROV. FOR DEPRECIATION OF ELECTRIC PLANT IN SERVICE (INCLUDES FUTURE USE PLANT) ACC. PROV. FOR DEPRECIATION & AMORTIZATION OF COMMON PLANT	(259,558)	-		(259,558)	(41,990)	(301,548)	(394)	-		(301,942)		
7	TOTAL UTILITY PLANT RESERVES	(45,239)	-		(45,239)	(8,026)	(53,265)	(162)	-		(53,427)		
8	TOTAL UTILITY PLANT RESERVES	(304,797)	-		(304,797)	(50,016)	(354,813)	(556)	-		(355,369)		
9	<u>NET PLANT</u>	617,493	1,493	A	618,986	131,047	750,033	(556)	-		749,477		
<u>WORKING CAPITAL REQUIREMENTS:</u>													
10	O&M EXPENDITURES	19,279	-		19,279	3,871	23,149	-	115	K	23,265		
11	MATERIALS & SUPPLIES	5,980	-		5,980	198	6,178	-	-		6,178		
12	PREPAYMENTS	6,955	-		6,955	1,520	8,475	-	179	L	8,654		
<u>REGULATORY ASSETS & OTHER RATE BASE ADDITIONS:</u>													
13	DEFERRED UNBILLED REVENUE 173100	20,215	-		20,215	-	20,215	-	-		20,215		
14	DEFERRED PURCHASED POWER VARIOUS	8,534	-		8,534	(6,130)	2,404	-	-		2,404		
15	DEFERRED M.T.A. SURTAX - (NET OF FIT) VARIOUS	1,406	108	B	1,515	-	1,515	-	-		1,515		
16	DEFERRED M.T.A. MOBILITY TAX - (NET OF FIT) 182448	86	-		86	134	220	(37)	128	M	311		
17	DEFERRED MFC CREDIT AND COLLECTION (NET OF FIT) 182505/506/507	1,225	-		1,225	-	1,225	(612)	-		613		
18	DEFERRED STORM RESERVE EXPENDITURES (NET OF FIT) 182373/228450	4,528	(1,967)	* C	2,561	2,839	5,400	(900)	536	N	5,036		
19	DEFERRED ENVIRONMENTAL EXPENDITURES (NET OF FIT) MGP 182376/377/242375	2,359	-		2,359	4,577	6,936	(1,156)	(89)	O	5,691		
20	DEFERRED ENVIRONMENTAL EXPENDITURES (NET OF FIT) WEST NYACK 182372/182374/242	160	-		160	(61)	99	(17)	14	P	96		
21	DEFERRED ENVIRONMENTAL EXPENDITURES (NET OF FIT) COTTMAN / NEWARK BAY / BORI	(11)	-		(11)	282	271	(45)	60	Q	286		
22	DEFERRED R & D EXPENDITURES (NET OF FIT) 188100/104	1,081	(18)	* D	1,063	(39)	1,024	(171)	(141)	R	712		
23	DEFERRED POLLUTION CONTROL DEBT (NET OF FIT) 182518	858	-		858	(327)	531	(89)	(442)	S	-		
24	DEFERRED WORKERS COMP EXPENSE (NET OF TAX) 182571/319/229105	298	-		298	(128)	170	(51)	-		119		
25	DEFERRED INTEREST OF 263A AND BONUS DEPRECIATION 182608	671	-		671	(671)	-	-	-		-		
26	DEFERRED LOW INCOME PROGRAM (NET OF FIT) 182405/254420/254430	96	-		96	212	308	(51)	(23)	T	234		
27	DEFERRED PROPERTY TAX UNDERCOLLECTION 254376/182406	812	-		812	2,370	3,182	(530)	950	U	3,602		
28	DEFERRED PROPERTY TAX REFUND (NET OF FIT) 254083/084	47	(110)	* E	(63)	245	182	(30)	-		152		
29	DEFERRED PROPERTY TAX REFUND COST TO ACHIEVE (NET OF FIT) 254095	14	-		14	(14)	-	-	-		-		
30	DEFERRED RATE CASE COST (NET OF FIT)	-	-		-	-	-	-	76	V	76		
31	DEFERRED SMART GRID STIMULUS PROJECT (NET OF FIT)	-	-		-	-	-	-	29	AB	29		
<u>REGULATORY (LIABILITIES) & OTHER RATE BASE DEDUCTIONS:</u>													
32	ACCUMULATED PENSION LIABILITY - RATE BASE IMPUTATION	(6,431)	-		(6,431)	6,431	-	-	-		-		
33	DEFERRED CARRYING CHARGES NET PLANT RECONCILIATION (NET OF FIT) 254331	(4,499)	-		(4,499)	(10,672)	(15,171)	2,529	(1,315)	W	(13,957)		
34	DEFERRED PERFORMANCE RELIABILITY REVENUE ADJUSTMENT (NET OF FIT) 229620	(263)	-		(263)	18	(245)	41	(503)	X	(707)		
35	DEFERRED ACCUM PROV FOR RATE REFUND-SIT RATE CHANGE (NET OF FIT) 229116	(256)	-		(256)	99	(157)	26	131	Y	0		
36	DEFERRED CURRENT NYS TAX RATE CHANGE (NET OF FIT) 254313	(201)	-		(201)	(15)	(216)	36	28	Z	(152)		
37	CONSERVATION COST - NET OF TAX 182401/254401	(223)	-		(223)	-	(223)	-	-		(223)		
38	DEFERRED OIL SUPPLIER REFUNDS (70% - NET OF FIT) 253151/064	(220)	-		(220)	120	(100)	17	-		(83)		
39	CUSTOMER ADVANCES FOR CONSTRUCTION (NET OF FIT) 252011/013/300	(17)	-		(17)	(2)	(19)	-	-		(19)		
40	DEFERRED CATV BILLING (NET OF FIT) 254344	(9)	-		(9)	(59)	(68)	11	(117)	AA	(174)		
<u>ACCUM. DEFERRED INCOME TAXES</u>													
41	ACCUM. DEFERRED FIT - ACRS / ADR / MCRS VARIOUS	(68,446)	-		(68,446)	(6,252)	(74,698)	195	(5,140)	G	(79,643)		
42	ACCUM. DEFERRED FIT - 263(A) CAPITALIZED OVERHEADS 283140/128001	(23,311)	1,359	F	(21,952)	(13,413)	(35,365)	-	2,509	H	(32,856)		
43	ACCUM. DEFERRED FIT - 263(A) CAPITALIZED OVERHEADS-UPDATE	-	-		-	-	-	-	1,215	AB	1,215		
44	ACCUM. DEFERRED SIT VARIOUS	(5,863)	-		(5,863)	(3,296)	(9,159)	48	487	I	(8,624)		
45	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(1,381)	-		(1,381)	448	(933)	-	-		(933)		
46	CHANGE IN ACCOUNTING / REPAIR ALLOWANCE 283150	-	-		-	-	-	-	(1,773)	AD	(1,773)		
47	BONUS DEPRECIATION	-	-		-	-	-	-	(4,808)	AE	(4,808)		
48	AVERAGE ELECTRIC RATE BASE	580,965	866		581,831	113,332	695,163	(1,343)	(7,895)		685,925		
49	RATE BASE (OVER) / UNDER CAPITALIZATION	(9,327)	(4,367)	J	(13,695)	-	(13,695)	-	-		(13,695)		
50	TOTAL AVERAGE ELECTRIC RATE BASE	\$ 571,638	\$ (3,501)		\$ 568,137	\$ 113,332	\$ 681,468	\$ (1,343)	\$ (7,895)		\$ 672,230		

NOTE:
*HISTORICAL YEAR BALANCE CORRECTION, DOES NOT IMPACT RATE YEAR BALANCE

ORANGE AND ROCKLAND UTILITIES, INC

AVERAGE ELECTRIC RATE BASE-NOVEMBER 5 UPDATE
TWELVE MONTHS ENDED MARCH 31, 2010
(\$000s)

MONTH ENDED	UTILITY PLANT COMMON UTILITY PLANT		ELECTRIC PLANT HELD FOR FUTURE USE	UTILITY PLANT RESERVES		C.W.I.P. NOT TAKING INTEREST		TOTAL ELECTRIC
	ELECTRIC PLANT IN SERVICE	CIMS/OTHER COMMON UTILITY PLANT		ELECTRIC PLANT IN SERVICE	COMMON UTILITY PLANT	ELECTRIC	COMMON	
MARCH 31, 2009 @50%	\$389,672	\$30,209	\$3,720	(\$126,557)	(\$6,274)	(\$15,511)	\$4,974	\$6,439
APRIL 30, 2009	782,216	61,138	\$7,442	(254,466)	(12,480)	(\$31,237)	8,818	10,384
MAY 31, 2009	785,067	61,571	\$9,257	(255,380)	(12,480)	(\$31,455)	9,157	11,100
JUNE 30, 2009	786,588	61,908	\$9,257	(256,041)	(12,682)	(\$31,672)	11,227	13,231
JULY 31, 2009	788,753	61,942	\$9,258	(257,044)	(12,688)	(\$31,899)	11,847	14,012
AUGUST 31, 2009	791,202	61,983	\$9,258	(258,238)	(12,901)	(\$32,125)	9,222	11,140
SEPTEMBER 30, 2009	793,823	62,059	\$9,258	(259,333)	(13,101)	(\$32,246)	9,920	12,162
OCTOBER 31, 2009	796,247	62,348	\$10,018	(260,724)	(13,316)	(\$32,458)	10,676	13,406
NOVEMBER 30, 2009	799,027	62,667	\$10,018	(261,981)	(13,329)	(\$32,669)	11,951	14,606
DECEMBER 31, 2009	805,567	63,749	\$10,018	(262,479)	(13,036)	(\$32,880)	14,682	19,238
JANUARY 31, 2010	813,014	64,291	\$10,018	(263,726)	(13,168)	(\$33,101)	14,222	18,646
FEBRUARY 28, 2010	813,014	64,419	\$10,018	(265,237)	(13,366)	(\$33,327)	8,621	12,969
MARCH 31, 2010 @50%	407,231	32,334	\$5,009	(133,496)	(6,678)	(\$16,777)	6,067	7,922
TOTAL TWELVE MONTHS	\$9,546,040	\$750,617	\$111,789	(\$3,114,702)	(\$155,509)	(\$387,356)	\$131,384	\$165,256
MONTHLY AVERAGE	\$795,503	\$62,551	\$9,316	(\$259,558)	(\$12,959)	(\$32,280)	\$10,949	\$13,771

ORANGE AND ROCKLAND UTILITIES, INC

AVERAGE ELECTRIC RATE BASE-NOVEMBER 5 UPDATE
TWELVE MONTHS ENDED MARCH 31, 2010
(\$000s)

MONTH ENDED	M.T.A. SURTAX	R&D EXPEND	CAPITALIZED OVERHEADS 263A DEDUCTION	ACCUM.	
				PROVISION FOR CONTINGENCIES STORM DAMAGE RESERVE	PROPERTY TAX REFUND
MARCH 31, 2009 @50%	\$928	\$802	(\$9,833)	\$2,148	(106)
APRIL 30, 2009	1,845	1,591	(19,940)	3,834	(192)
MAY 31, 2009	1,826	1,649	(20,215)	3,654	(173)
JUNE 30, 2009	1,912	1,660	(20,490)	3,800	(154)
JULY 31, 2009	2,092	1,633	(20,935)	4,217	(135)
AUGUST 31, 2009	2,282	1,668	(21,210)	3,691	(116)
SEPTEMBER 30, 2009	2,560	1,633	(19,035)	3,863	(97)
OCTOBER 31, 2009	2,646	1,661	(19,310)	3,735	(78)
NOVEMBER 30, 2009	2,695	1,672	(19,585)	3,560	(59)
DECEMBER 31, 2009	2,645	1,650	(26,239)	3,377	(40)
JANUARY 31, 2010	2,645	1,611	(26,470)	3,194	(21)
FEBRUARY 28, 2010	2,600	1,588	(26,700)	3,350	(2)
MARCH 31, 2010 @50%	1,286	815	(13,466)	4,863	9
TOTAL TWELVE MONTHS	27,962	19,632	(263,428)	47,285	(1,164)
MONTHLY AVERAGE	2,330	1,636	(21,952)	3,940	(97)
TAX FACTOR	65.000%	65.000%	100.000%	65.000%	65.000%
NET OF TAX	1,515	1,063	(21,952)	2,561	(63)

ORANGE AND ROCKLAND UTILITIES, INC

AVERAGE ELECTRIC RATE BASE-NOVEMBER 5 UPDATE
 LINKING PERIOD MARCH 31, 2010-JUNE 30, 2011
 (\$000s)

MONTH ENDED	UTILITY PLANT			UTILITY PLANT RESERVES			C.W.I.P.			
	ELECTRIC PLANT IN SERVICE	COMMON UTILITY PLANT	CIMS / OTHER UTILITY PLANT	ELECTRIC PLANT HELD FOR FUTURE USE	ELECTRIC PLANT IN SERVICE	COMMON UTILITY PLANT	CIMS / OTHER UTILITY PLANT	ELECTRIC	COMMON	TOTAL ELECTRIC
MARCH 31, 2010	\$814,462	\$64,667	\$43,481	\$10,018	(\$266,991)	(\$13,355)	(\$33,553)	\$10,956	\$2,861	\$13,817
APRIL 30, 2010	815,489	64,568	43,481	10,018	(268,831)	(13,403)	(33,844)	10,956	2,861	13,817
MAY 31, 2010	817,060	65,267	43,481	10,018	(270,675)	(13,437)	(34,070)	10,956	2,861	13,817
JUNE 30, 2010	818,946	65,826	43,481	10,018	(272,147)	(13,477)	(34,294)	10,956	2,861	13,817
JULY 31, 2010	824,592	66,859	43,481	10,018	(273,625)	(13,521)	(34,517)	10,956	2,861	13,817
AUGUST 31, 2010	826,596	67,282	43,481	10,018	(275,118)	(13,570)	(34,740)	10,956	2,861	13,817
SEPTEMBER 30, 2010	829,406	68,042	43,481	10,018	(276,616)	(13,623)	(34,964)	10,956	2,861	13,817
OCTOBER 31, 2010	832,617	69,108	43,481	10,018	(278,122)	(13,681)	(35,187)	10,956	2,861	13,817
NOVEMBER 30, 2010	840,868	69,530	43,481	10,018	(279,638)	(13,754)	(35,411)	10,956	2,861	13,817
DECEMBER 31, 2010	860,373	70,460	43,481	10,018	(281,172)	(13,832)	(35,634)	10,956	2,861	13,817
JANUARY 31, 2011	861,860	70,280	43,481	10,018	(282,752)	(13,918)	(35,852)	10,956	2,861	13,817
FEBRUARY 28, 2011	863,320	70,288	43,481	10,018	(284,336)	(14,002)	(36,071)	10,956	2,861	13,817
MARCH 31, 2011	875,511	70,306	43,481	10,018	(285,924)	(14,087)	(36,290)	10,956	2,861	13,817
APRIL 30, 2011	877,441	70,443	43,481	10,018	(287,537)	(14,173)	(36,508)	10,956	2,861	13,817
MAY 31, 2011	916,312	70,813	43,481	10,018	(289,156)	(14,260)	(36,727)	10,956	2,861	13,817
JUNE 30, 2011	922,907	71,633	43,481	10,018	(290,871)	(14,349)	(36,945)	10,956	2,861	13,817

ORANGE AND ROCKLAND UTILITIES, INC.

AVERAGE ELECTRIC RATE BASE NOVEMBER 5 UPDATE
LINKING PERIOD MARCH 31, 2010-JUNE 30, 2011
(\$000s)

MONTH ENDED	DEFERRED ENV.		ACCUMULATED DEFERRED SIT	ACCUMULATED DEFERRED SIT MTA	ACCUMULATED DEFERRED SIT NON-Deductible	ACCUMULATED DEFERRED SIT MTA - NYS	ACCRS / ADR	CAPITALIZED OVERHEADS	263A DEDUCTION	ACCUM. PROVISION FOR STORM/DAMAGE RESERVE	DEF MTA MOBILITY TAX	COTTMAN NEWARK/BAY BORNE	LOW INCOME	POLLUTION CONTROL DEBT	ACCUM PROV FOR RATE REFUND SIT RATE CHANGE	PERFORMANCE RELIABILITY REVENUE ADJ	NET PLANT RECON	NYS TAX RATE CHANGE	PROPERTY TAX UNDER COLLECTION	CATY ORDER BILLING	CATY DEF BILLING	RATE CASE COST	SMART GRID	
	MGP SITES	WEST TACK																						
MARCH 31, 2010 @ 50%	\$615	\$547	\$112	\$112	\$2,476	\$112	(\$36,638)	(\$13,468)	\$4,863	\$140	\$9	\$160	\$348	(85)	(203)	(5,813)	(1,147)	(57)	\$					
MARCH 31, 2010 @ 100%	1,629	1,095	234	223	4,951	223	(73,272)	(26,831)	9,725	279	17	319	695	(169)	(405)	(11,826)	(357)	(113)	2,294					
APRIL 30, 2010	1,059	712	152	223	5,003	223	(73,573)	(27,162)	9,725	182	11	207	695	(169)	(263)	(7,887)	(232)	(73)	1,491					
MAY 31, 2010	1,059	712	152	223	5,003	223	(73,573)	(27,162)	9,725	182	11	207	695	(169)	(263)	(7,887)	(232)	(73)	1,491					
JUNE 30, 2010	1,024	354	138	223	5,168	223	(74,175)	(27,823)	5,400	207	21	218	531	(157)	(245)	(8,831)	(218)	(68)	1,732					
JULY 31, 2010	1,024	354	138	223	5,168	223	(74,478)	(27,853)	5,400	207	21	218	531	(157)	(245)	(8,831)	(218)	(68)	1,732					
AUGUST 31, 2010	957	(368)	144	223	5,208	223	(74,776)	(27,619)	5,400	207	21	218	531	(157)	(245)	(8,831)	(218)	(68)	1,732					
SEPTEMBER 30, 2010	957	(368)	144	223	5,208	223	(75,076)	(27,172)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
OCTOBER 31, 2010	957	(368)	144	223	5,307	223	(75,376)	(27,866)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
NOVEMBER 30, 2010	957	(368)	144	223	5,368	223	(75,677)	(27,961)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
DECEMBER 31, 2010	957	(368)	144	223	5,429	223	(75,977)	(28,056)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
JANUARY 31, 2011	957	(368)	144	223	5,469	223	(76,287)	(28,075)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
FEBRUARY 28, 2011	957	(368)	144	223	5,514	223	(76,597)	(28,094)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
MARCH 31, 2011	957	(368)	144	223	5,569	223	(76,908)	(28,114)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
APRIL 30, 2011	957	(368)	144	223	5,622	223	(77,218)	(28,134)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
MAY 31, 2011	957	(368)	144	223	5,675	223	(77,528)	(28,154)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					
JUNE 30, 2011	854	6,829	115	223	5,723	223	(77,838)	(28,174)	6,043	251	343	175	412	-	(245)	(10,770)	(183)	(138)	2,339					

ORANGE AND ROCKLAND UTILITIES, INC

AVERAGE ELECTRIC RATE BASE-NOVEMBER 5 UPDATE
TWELVE MONTHS ENDED JUNE 30, 2012
(\$000s)

MONTH ENDED	UTILITY PLANT		ELECTRIC PLANT HELD FOR FUTURE USE	UTILITY PLANT RESERVES		C.W.I.P. NOT TAKING INTEREST		TOTAL ELECTRIC
	ELECTRIC PLANT IN SERVICE	COMMON UTILITY PLANT		ELECTRIC PLANT IN SERVICE	COMMON UTILITY PLANT	ELECTRIC	COMMON	
JUNE 30, 2011 @1/2	\$461,454	\$35,816	\$21,741	\$5,009	(\$145,436)	(\$7,175)	\$1,430	\$6,908
JULY 31, 2011	925,442	72,136	43,481	10,018	(292,601)	(14,444)	2,861	13,817
AUGUST 31, 2011	928,036	72,450	43,481	10,018	(294,340)	(14,544)	2,861	13,817
SEPTEMBER 30, 2011	930,906	73,124	43,481	10,018	(296,085)	(14,646)	2,861	13,817
OCTOBER 31, 2011	932,744	73,329	43,481	10,018	(297,838)	(14,753)	2,861	13,817
NOVEMBER 30, 2011	936,123	73,351	43,481	10,018	(299,596)	(14,862)	2,861	13,817
DECEMBER 31, 2011	981,828	73,809	43,481	10,018	(301,364)	(14,972)	2,861	13,817
JANUARY 31, 2012	983,327	73,895	43,481	10,018	(303,236)	(15,086)	2,861	13,817
FEBRUARY 28, 2012	984,842	73,791	43,481	10,018	(305,112)	(15,201)	2,861	13,817
MARCH 31, 2012	986,705	82,473	43,481	10,018	(306,992)	(15,315)	2,861	13,817
APRIL 30, 2012	989,066	82,545	43,481	10,018	(308,877)	(15,503)	2,861	13,817
MAY 31, 2012	991,045	82,944	43,481	10,018	(310,770)	(15,692)	2,861	13,817
JUNE 30, 2012 @1/2	507,266	41,913	21,741	5,009	(156,326)	(7,942)	1,430	6,908
TOTAL TWELVE MONTHS	\$11,538,763	\$911,577	\$521,772	\$120,216	(\$3,618,572)	(\$1,80,135)	\$34,330	\$165,800
MONTHLY AVERAGE	\$961,565	\$75,965	\$43,481	\$10,018	(\$301,548)	(\$15,011)	\$2,861	\$13,817

ORANGE AND ROCKLAND UTILITIES, INC.
AVERAGE ELECTRIC RATE BASE-NOVEMBER 5 UPDATE
TWELVE MONTHS PERIOD JUNE 30, 2012
(\$000)

MONTH ENDED	DEFFERED ENVI- MPP WEST SITES IN WASH.	DEFFERED ENVI- MPP WEST SITES IN WASH.	ACCUMULATED DEFERRED SIT NON-DEDUCTIBLE	ACCUMULATED DEFERRED SIT MTA	ACCUM. DEFERRED MTA- INVS INCOME TAX	ACRS/ ADR	CAPITALIZED OVERHEADS XETA DEDUCTION	ACCM. PROVISIONS FOR CONTINGENCIES STORMDAMAGE RESERVE	DEF MTA MOBILITY TAX	COTTMAN AVE NEWARK BAY BORNE	LOW INCOME	POLLUTION CONTROL DEBT	ACCU M PROV FOR RATE REFUND SIT RATE CHANGE	PERFORMANCE RELIABILITY REVENUE ASU	NET PLANT RECON	INVS TAX RATE CHANGE	PROPERTY TAX UNDER COLLECTION	CATY ORDER DEF BILLING	RATE CASE	SMART GRID
JUNE 30, 2011 @1/2 NET OF TAX	\$427	\$3,415	\$58	(85,469)	(1,622)	(1,622)	(1,622)	(1,622)	187	\$172	\$141	\$0	\$0	(\$424)	(\$8,374)	(\$82)	\$2,161	(\$104)	45.5	18
JULY 31, 2011	854	6,829	115	(11,044)	(3,270)	(3,270)	(3,270)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
AUGUST 31, 2011	854	6,829	115	(11,044)	(3,270)	(3,270)	(3,270)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
SEPTEMBER 30, 2011	854	6,829	115	(11,044)	(3,270)	(3,270)	(3,270)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
OCTOBER 31, 2011	854	6,829	115	(11,241)	(3,343)	(3,343)	(3,343)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
NOVEMBER 30, 2011	854	6,829	115	(11,316)	(3,367)	(3,367)	(3,367)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
DECEMBER 31, 2011	854	6,829	115	(11,316)	(3,367)	(3,367)	(3,367)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
JANUARY 31, 2012	854	6,829	115	(11,509)	(3,433)	(3,433)	(3,433)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
FEBRUARY 28, 2012	854	6,829	115	(11,648)	(3,475)	(3,475)	(3,475)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
MARCH 31, 2012	854	6,829	115	(11,777)	(3,517)	(3,517)	(3,517)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
APRIL 30, 2012	854	6,829	115	(11,874)	(3,559)	(3,559)	(3,559)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
MAY 31, 2012	854	6,829	115	(12,004)	(3,601)	(3,601)	(3,601)	6,043	373	\$343	281	0	0	(848)	(16,748)	(183)	4,322	(208)	91	35
JUNE 30, 2012 @1/2	427	3,415	58	(6,082)	(1,821)	(1,821)	(1,821)	3,022	187	172	141	0	0	(424)	(8,374)	(82)	2,161	(104)	46	18
TOTAL TWELVE MONTHS	10,248	81,948	1,380	(137,654)	(41,014)	(41,014)	(41,014)	72,516	4,476	4,116	3,372	-	-	(10,176)	(209,976)	(2,196)	51,964	(2,498)	1,052	403
MONTHLY AVERAGE	854	6,829	115	(11,471)	(3,418)	(3,418)	(3,418)	6,042	373	343	281	-	-	(848)	(16,748)	(183)	4,322	(208)	91	35
ADJUSTMENT AMORTIZATION	(142)	(1,138)	(19)	-	-	-	-	(1,007)	(62)	(97)	(47)	-	-	141	2,791	31	(720)	36	(15)	(6)
ENDING BALANCE	712	5,691	96	(11,471)	(3,418)	(3,418)	(3,418)	5,036	311	266	234	-	-	(707)	(13,957)	(153)	3,602	(173)	76	29

ORANGE AND ROCK UTILITIES, INC.
ELECTRIC AND COMMON PLANT SERVICE - NOVEMBER 5 UPDATE
ESTIMATE OF MONTHLY BALANCES
(\$000s)

	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	
ELECTRIC PLANT IN SERVICE																												
BEGINNING BALANCE	814,462	815,489	817,050	818,946	824,592	826,596	829,406	832,617	840,868	840,373	861,960	863,320	875,511	877,441	916,312	922,807	925,442	928,036	930,006	932,744	936,123	981,628	983,327	984,842	986,705	989,066	991,045	
ADDITIONS																												
DISTRIBUTION	1,551	1,612	2,045	5,822	2,265	2,866	3,009	2,657	10,668	1,456	1,784	1,990	2,092	34,974	1,926	2,179	2,265	2,300	1,909	3,587	26,846	1,460	1,790	1,951	2,070	1,951	2,337	
TRANSMISSION	8	61	55	168	54	87	388	5,792	9,025	4,444	10,674	1,784	3,987	4,975	4,335	658	211	242	116	19,383	488	137	321	408	408	275	186	
GENERAL	28	459	347	215	226	417	374	962	373	147	152	196	250	469	354	461	252	289	249	236	256	111	147	152	152	444	334	
TOTAL ADDITIONS	1,587	2,131	2,446	6,205	2,548	3,339	3,711	9,811	20,866	2,247	2,130	2,121	2,493	39,451	7,155	3,089	3,152	3,029	2,399	3,989	46,263	2,709	2,072	2,493	2,421	2,339	2,497	
RETIREMENTS	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	403.5	
DISTRIBUTION	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	39.8	
GENERAL	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	560.1	
TOTAL RETIREMENTS	814,462	815,489	817,050	818,946	824,592	826,596	829,406	832,617	840,868	840,373	861,960	863,320	875,511	877,441	916,312	922,807	925,442	928,036	930,006	932,744	936,123	981,628	983,327	984,842	986,705	989,066	991,045	
ENDING BALANCE	815,489	817,050	818,946	824,592	826,596	829,406	832,617	840,868	840,373	861,960	863,320	875,511	877,441	916,312	922,807	925,442	928,036	930,006	932,744	936,123	981,628	983,327	984,842	986,705	989,066	991,045	1,014,532	
COMMON PLANT IN SERVICE																												
BEGINNING BALANCE - COMMON	91,402	91,262	92,250	93,041	94,500	95,098	96,172	97,679	98,275	99,590	99,336	99,347	99,372	99,566	100,089	101,248	101,958	102,402	103,356	103,645	103,676	104,324	104,445	104,268	116,589	116,671	117,296	
BEGINNING BALANCE - COMMON	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	
ADDITIONS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
RETIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL ADDITIONS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
ENDING BALANCE - COMMON	91,402	91,262	92,250	93,041	94,500	95,098	96,172	97,679	98,275	99,590	99,336	99,347	99,372	99,566	100,089	101,248	101,958	102,402	103,356	103,645	103,676	104,324	104,445	104,268	116,589	116,671	117,296	
ENDING BALANCE - COMMON	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	57,227	

ORANGE & ROCKLAND UTILITIES, INC.
ELECTRIC WORKING CAPITAL - SUMMARY
(\$000s)

<u>DESCRIPTION</u>	<u>TWELVE MONTHS ENDED</u>					
	<u>MARCH 31, 2010</u> <u>PER BOOKS</u>	<u>ADJUSTMENTS</u>	<u>MARCH 31, 2010</u> <u>AS ADJUSTED</u>	<u>JUNE 30,</u> <u>2012</u>	<u>UPDATE</u>	<u>UPDATED</u> <u>JUNE 30,</u> <u>2012</u>
OPERATION & MAINTENANCE EXP.	\$ 19,279	\$ (147)	\$ 19,132	\$ 23,149	\$ 115	\$ 23,265
MATERIALS & SUPPLIES	5,980	-	5,980	6,178	-	6,178
PREPAYMENTS	6,955	-	6,955	8,475	179	8,654
WORKING CAPITAL REQUIREMENTS	\$ 32,214	\$ (147)	\$ 32,067	\$ 37,802	\$ 294	\$ 38,097

ESCALATION FATORS UTILIZED:
FOR 12 MONTHS ENDED 6/30/12

3.3%

ORANGE & ROCKLAND UTILITIES, INC.
CASH WORKING CAPITAL - ELECTRIC
TWELVE MONTHS ENDED MARCH 31, 2010 AND JUNE 30, 2012
(\$000s)

DESCRIPTION	TWELVE MONTHS ENDED						
	MARCH 31, 2010 PER BOOKS	NORMALIZING ADJUSTMENTS	MARCH 31, 2010 AS ADJUSTED	RATE CASE ADJUSTMENTS	JUNE 30, 2012	UPDATE	UPDATED JUNE 30, 2012
OPERATION & MAINTENANCE EXP.	\$ 358,692	\$ (9,187)	\$ 349,505	\$ 69,775	\$ 419,280	\$ 2,302	\$ 421,582
LESS:							
PURCHASED POWER	207,037	-	207,037	37,941	244,978	(1,534)	243,444
UNCOLLECTIBLES	3,232	-	3,232	(199)	3,033	(512)	2,521
REGULATORY ITEMS (DEFERRED CHARGES)							
DEFERRED PURCHASED POWER	(1,830)	-	(1,830)	1,759	(71)	-	(71)
RESEARCH & DEVELOPMENT (DEFERRALS) / AMORTIZATION	(27)	-	(27)	592	565	(93)	472
SYSTEM BENEFITS CHARGE	13,024	-	13,024	(2,579)	10,445	128	10,573
RENEWABLE PORTIFOLIO STANDARD	3,619	-	3,619	(716)	2,903	35	2,938
18A ASSESSMENT	8,011	(8,011)	-	-	-	-	-
WORKERS COMPENSATION	170	-	170	-	170	-	170
STORM RESERVE (DEFERRAL) / AMORTIZATION	(5,930)	-	(5,930)	8,911	2,981	355	3,336
ENVIRONMENTAL REMEDIATION (NET OF DEFERRALS)							
MGP AMORTIZATION	4,351	-	4,351	(3,334)	1,017	2,753	3,770
WEST NYACK AMORTIZATION	(33)	-	(33)	88	55	8	63
COTTMAN AVENUE, NEWARK BAY, BORNE	-	-	-	150	150	39	189
WORKING CAPITAL REQUIREMENTS	\$ 127,067	\$ (1,176)	\$ 125,891	\$ 27,163	\$ 153,054	\$ 1,123	\$ 154,177
CASH WORKING CAPITAL @ 1/8	15,883	(147)	15,736	3,395	19,132	140	19,272
ADD: WORKING CAPITAL RELATED TO PURCHASED POWER (\$207,037 X 1.64%)	3,395	-	3,395	622	4,018	(25)	3,992
TOTAL WORKING CAPITAL	\$ 19,279	\$ (147)	\$ 19,132	\$ 4,018	\$ 23,149	\$ 115	\$ 23,265

ORANGE & ROCKLAND UTILITIES, INC.
ELECTRIC WORKING CAPITAL
PREPAYMENTS
(\$000s)

<u>DESCRIPTION</u>	<u>AVERAGE BALANCE FOR TWELVE MONTHS ENDED</u>			
	<u>MARCH 31, 2010 PER BOOKS</u>	<u>JUNE 30, 2012</u>	<u>UPDATE</u>	<u>UPDATED JUNE 30, 2012</u>
LOCAL PROPERTY TAXES	\$ 6,872	\$ 8,389	\$ 179	\$ 8,568
INTEREST - UNFUNDED DEBT	3	3	0	3
INSURANCE	84	87	0	87
NYPSC ASSESSMENT	585	604	0	604
NYS 1% UTILITY TAX	(274)	(283)	0	(283)
NYS GROSS RECEIPTS	(315)	(325)	0	(325)
TOTAL AVERAGE PREPAYMENTS	<u>\$ 6,955</u>	<u>\$ 8,475</u>	<u>\$ 179</u>	<u>\$ 8,654</u>

ESCALATION FACTOR UTILIZED:
FOR 12 MONTHS ENDED 6/30/12

3.3%

ORANGE & ROCKLAND UTILITIES, INC.
EARNINGS BASE / CAPITALIZATION ADJUSTMENT-NOVEMBER 5 UPDATE
TWELVE MONTHS ENDED MARCH 31, 2010
(\$000s)

<u>CAPITALIZATION</u>	<u>TOTAL</u>			
LONG-TERM DEBT	\$ 402,053			
COMMON STOCK	301,827			
RETAINED EARNINGS	<u>232,518</u>			
SUB-TOTAL	\$ 936,398			
SHORT-TERM DEBT	<u>103,931</u>			
SUB-TOTAL	\$ 1,040,329			
<u>ADDITIONS</u>				
CUSTOMER DEPOSITS	\$ 12,406			
INTEREST ON CUSTOMER DEPOSITS	1,051			
CUSTOMER ADVANCES	1,272			
INTEREST ON REFUNDS - UNDERGROUND CUSTOMER ADVANCES	88			
CUSTOMER ADVANCES FOR CONSTRUCTION	59			
DIVIDENDS DECLARED	5,333			
FUEL SUPPLIER REFUNDS	550			
FUEL SAVINGS FOR GAS USED IN POWER GENERATION	52			
INTERRUPTIBLE BENEFITS	60			
PEAK SHAVING GAS COST RECOVERIES	184			
PIPELINE REFUNDS	661			
OPEB OBLIGATION	24,412			
INTEREST ON PENSION / OPEB OBLIGATIONS	469			
INTEREST ON STORM DAMAGE RESERVE	176			
PENSION OBLIGATION (EXCL. PORTION IN RATE BASE)	13,423			
GAS PROPERTY TAX REFUNDS MIDDLETOWN & RAMAPO	60			
DEFERRED TAX TRUE-UP	7			
NAT GAS REFUNDS	325			
INTEREST GAS REFUNDS	33			
SYSTEM BENEFIT CHARGE	2,830			
RENEWABLE PORTFOLIO STANDARD	101			
R&D GAS SURCHARGE	1,002			
BAL CHG GAS G-1398	122			
DEFERRED CR-GAC/GCR OVER RECOVERY	656			
DEFERRED CR-CAP RELEASE SERV. ADJ	117			
18A ASSESSMENT	<u>4,266</u>			
TOTAL ADDITIONS	\$ 69,715			
<u>DEDUCTIONS</u>				
INVESTMENT IN SUBSIDIARIES	\$ 188,265			
NET RECEIVABLE / PAYABLE - ASSOCIATED COMPANIES	(6,861)			
TEMPORARY CASH INVESTMENTS	3,868			
OTHER WORK IN PROGRESS	1,113			
CONSTRUCTION COSTS SUBJECT TO AFUDC	46,651			
COMPETITIVE ENHANCEMENT FUND	23			
GAS STORED UNDERGROUND	30,394			
GAS STORAGE CARRYING CHARGES	842			
NET G.A.C. UNDER COLLECTIONS & INTEREST	137			
DEFERRED DSM	37			
RATE RELIEF 05-G-1494	274			
SYSTEM BENEFIT CHARGE TRUE UP	303			
RENEWABLE PORTFOLIO STANDARD TRUE UP	48			
MERCHANT FUNCTION CHARGE PROCUREMENT 05-G-1494	7			
MERCHANT FUNCTION CHARGE COLLECTION-05-G-1494	<u>378</u>			
TOTAL DEDUCTIONS	\$ 265,479			
TOTAL CAPITALIZATION	844,565			
AVERAGE RATE BASE AS ADJUSTED	867,481	<u>ELECTRIC</u>	<u>GAS</u>	<u>SUBSIDIARIES OTHER ELECTRIC & GAS</u>
ALLOCATION RATIO *	100.00%	59.76%	35.08%	5.16%
RATE BASE (OVER) / UNDER CAPITALIZATION	\$ (22,916)	\$ (13,695)	\$ (8,039)	\$ (1,182)
* ELECTRIC DISCOUNTED FOR SUBSIDIARIES BY	7.91%			

ORANGE & ROCKLAND UTILITIES, INC.
AVERAGE ELECTRIC RATE BASE
SUMMARY OF ADJUSTMENTS
TWELVE MONTHS ENDED JUNE 30, 2012

<u>Adj No.</u>	<u>Explanation</u>	<u>Amounts</u>
<u>Corrections to Original Filing</u>		
A	to correct common plant historical year beginning balance	\$ 1,493
B	to correct deferred MTA surtax historical year balance	108
C	to correct deferred storm reserve historical year balance	(1,967) *
D	to correct deferred R&D historical year balance	(18) *
E	to correct deferred property tax refund historical year balance	(110) *
F	to correct accumulated deferred FIT-263a capitalized overhead historical year balance as per DPS 71	1,359 *
G	to correct accumulated deferred FIT-ACRS/ADR rate year balance	(5,140)
H	to correct accumulated deferred FIT-263a capitalized overhead rate year balances as a result of correction to historical year balances as per DPS 71	2,509
I	to correct accumulated deferred SIT	487
J	Reflect associated EB-Cap adjustment resulting from historical year balances corrections for:	
	1) MTA surtax, deferred storm reserve, deferred R&D, property tax refund from adjustment b,c,d,e	1,203
	2) Pension Obligation in EB-CAP calculation (Schedule 10)	544
	3) LTD in EB-Cap (Schedule 10)	(5,128)
	4) STD in EB-Cap (Schedule 10)	1,369
	5) deferred accum FIT-263a capitalized overhead from adjustment F	(1,088)
	6) common plant	<u>(1,267)</u>
		(4,367)
	Total Corrections	<u>\$ (5,646)</u>
<u>Updates to Reflect September Balances</u>		
K	to reflect update forecast of cash working capital-O&M expenses	115
L	to reflect update forecast of cash working capital-property tax prepayment	179
M	to update deferred M.T.A. mobility tax	128
N	to update deferred storm reserve balance	536
O	to update deferred MGP balance	(89)
P	to update deferred west nyack balance	14
Q	to update deferred cottman/newark bay/borne balance	60
R	to update deferred R&D balance	(141)
S	to update deferred pollution control balance	(442)
T	to update deferred low income balance	(23)
U	to update deferred property tax undercollection balance	950
V	to update deferred rate case cost balance	76
W	to update deferred carrying charges net plant reconciliation balance	(1,315)
X	to update deferred 2010 CAIDI Reliability Penalty balance	(503)
Y	to update deferred SIT-NYS rate change	131
Z	to update current SIT-NYS rate change	28
AA	to update deferred CATV billing	(117)
AB	to update deferred accum FIT-263a capitalized overhead	<u>1,215</u>
	Total Update	<u>\$ 800</u>
<u>New Items-Change in Law</u>		
AC	To reflect deferred Smart Grid Stimulus Project balance	29
AD	To reflect change in tax accounting method for repair allowance	(1,773)
AE	To adjust accum deferred FIT-ACRS / ADR /MCRS various to reflect bonus depreciation	<u>(4,808)</u>
	Total New Items	<u>\$ (6,551)</u>
	Total Corrections/Update/New Items	(11,397)
	Less: historical year balances correction, not impacting rate year balances	<u>(736)</u>
	Total Adjustments to Average Electric Rate Base for the 12 months Ending June 30, 2012	<u>\$ (10,661)</u>

Note:

*Historical year balance correction, does not impact rate year balances

ORANGE AND ROCKLAND UTILITIES, INC.

INDEX OF SCHEDULES

Electric Sales and Revenues

<u>SCHEDULE</u>	<u>TITLE OF SCHEDULE</u>	<u>WITNESS</u>
1	Electric Forecasting Model Statistics	Forecasting Panel
2	Forecasted Sendout, Sales Volumes and Revenues for the Years Ending June 30, 2011, 2012, 2013 and 2014	"

ORANGE & ROCKLAND UTILITIES, INC
2010 RATE CASE ELECTRIC FORECASTING MODEL STATISTICS - Aug Emp Upd

Model Statistics For Electric Sendout and Sales Volume Forecasting Models			
	Adj R² *	SER	Durbin-Watson
Residential	0.9832	2.68%	2.071
Primary less SC 2P	0.9272	2.86%	2.044
Secondary plus SC 2P	0.9727	2.76%	2.009

* When the models are in differenced form, their Adj R²'s are lower than shown in the above table, because differencing accounts for a portion of the R² values.

Notes: - Adj R² represents R² adjusted for degrees of freedom.
- SER represents Standard Error of the Regression.

**ORANGE & ROCKLAND ELECTRIC
ELECTRIC SENDOUT, SALES VOLUMES AND REVENUES FROM SALES VOLUMES
FORECASTED THREE MONTHS ENDING JUNE 30 2010 AND YEARS ENDING JUNE 30, 2011, JUNE 30, 2012, JUNE 30, 2013, AND JUNE 30, 2014**

	Forecast Year Ended 6/30/2011 (2)	Forecast Year Ended 6/30/2012 (3)	Forecast Year Ended 6/30/2013 (4)	Forecast Year Ended 6/30/2014 (5)	
1	SENDOUT - THOUSAND KILOWATTHOURS	4,144,268.00	4,162,115	4,149,855	4,139,187
2	SALES VOLUMES - THOUSAND KILOWATTHOURS				
3	BILLED	3,877,975	3,938,473	3,895,610	3,887,027
4	UNBILLED	13,387	(30,249)	1,029	(467)
	TOTAL	3,891,362	3,908,224	3,896,639	3,886,560
5	REVENUES - \$1000				
6	T&D NON COMPETITIVE REVENUES AT CURRENT RATES	\$204,765	\$202,361	\$203,954	\$203,728
7	T&D COMPETITIVE REVENUES AT CURRENT RATES	\$10,484	\$10,528	\$10,585	\$10,651
8	TEMPORARY ECA SURCHARGE	\$8,905			
9	MSC AND ECA REVENUES	\$231,420	\$224,865	\$229,104	\$236,650
10	SYSTEM BENEFIT CHARGE REVENUES	\$22,062	\$13,511	\$9,683	\$11,211
11	REVENUE TAXES	\$4,803	\$4,627	\$4,668	\$4,739
12	SUB-TOTAL	\$482,439	\$455,892	\$457,994	\$466,979
13	RDM ACCRUAL	\$12,873			
14	MFC ACCRUAL	\$1,460	\$1,435	\$1,435	\$1,435
15	MFC OTHER	\$707	\$707	\$700	\$698
16	PSA FIXED CHARGES	\$7,450	\$9,420	\$9,488	\$10,081
17	INTERCOMPANY FUEL & PSA BILL	\$17,243	\$17,873	\$18,822	\$19,739
	GRAND TOTAL	\$522,172	\$485,327	\$488,439	\$498,932

**ORANGE & ROCKLAND ELECTRIC
ELECTRIC SALES VOLUMES AND REVENUES FROM SALES VOLUMES BY SERVICE CLASSIFICATION
FORECASTED 12 MONTHS ENDING JUNE 30, 2011**

REVENUES (\$000s)										
SC.NO.	Volumes (Thousands KWHR) (Column 1)	Sum of Monthly Billable Demand (MW) (Column 2)	Non Competitive Delivery Revenues at Current Rates (Column 3)	Competitive Service Rates BPP/MFC/Metering (Column 4)	Temporary ECA Surcharge (Column 5)	Market Supply Charge (Column 6)	Energy Cost Adjustment (Column 7)	System Benefit Charge (Column 8)	Revenue Tax (Column 9)	Total Revenue (Column 10)
1	1,523,081	111,188	11,188	5,333	4,926	115,877	0	8,641	3,544	249,509
19	85,552	118	2,016	231	238	5,495	0	485	175	11,908
Total Residential	1,608,633	116,472	116,472	5,564	5,164	121,372	0	9,126	3,719	261,417
2	822,837	2,646	45,551	3,919	2,068	47,442	0	4,688	410	104,078
20	48,396	118	2,016	124	81	1,684	0	275	13	4,193
Total Secondary	871,233	2,764	47,567	4,043	2,149	49,126	0	4,963	423	108,271
2	30,064	94	1,385	12	75	1,696	0	172	12	3,362
3	378,542	937	11,426	258	500	9,235	0	2,159	88	23,666
9	309,357	679	8,427	225	325	17,456	0	1,764	113	28,310
9 substation	118,263	170	1,623	0	124	2,339	0	675	16	4,777
9 transmission	9,626	16	70	0	12	215	0	56	0	353
21	61,208	119	1,531	79	69	469	0	349	9	2,506
22	236,925	449	4,586	207	173	13,854	0	1,349	81	20,250
22 substation	22,834	42	240	0	15	626	0	133	1	1,015
22 transmission	65,321	75	481	0	47	5,748	0	389	28	6,673
25	35,430	25	527	43	23	2,557	0	197	11	3,358
Total Primary	1,267,570	5,096	30,306	824	1,363	54,195	0	7,223	359	94,270
04	19,500	3,309	3,309	12	143	713	0	113	12	4,302
05	3,387	358	358	0	12	89	0	23	0	482
16	14,488	2,080	2,080	41	74	788	0	83	12	3,078
Total Lighting	37,375	0	5,747	53	229	1,590	0	219	24	7,862
Total Public Authority	83,164	165	2,129	0	0	6,377	0	531	37	9,074
Total Billed	3,877,975	8,025	202,221	10,484	8,905	232,660	0	22,062	4,562	480,894
Total Unbilled	13,387	2,544	2,544			(1,240)	0	0	49	1,353
RDM Accrual		12,873	12,873						185	13,058
MFC Accrual				1,460		\$707			5	1,465
MFC Other									2	709
Grand Total	3,891,362	8,025	217,638	11,944	8,905	232,127	0	22,062	4,803	497,479
										PSA Fixed Charges
										7,450
										Intercompany Fuel & PSA Bill
										17,243
										Grand Total Revenue
										<u>522,172</u>

Note: Excludes Company Use Revenues and Sales

**ORANGE & ROCKLAND ELECTRIC
ELECTRIC SALES VOLUMES AND REVENUES FROM SALES VOLUMES BY SERVICE CLASSIFICATION
FORECASTED RY 12 MONTHS ENDING JUNE 30, 2012**

		REVENUES (\$000s)									
SC.NO.	Volumes (Thousands KWHR) (Column 1)	Sum of Monthly Billable Demand (MW) (Column 2)	Non Competitive Delivery Revenues at Current Rates (Column 3)	Competitive Service Rates BPP/MFC/Metering (Column 4)	Market Supply Charge (Column 5)	Energy Cost Adjustment (Column 6)	System Benefit Charge (Column 7)	Revenue Tax (Column 8)	Total Revenue (Column 9)		
1	1,563,173		113,193	5,341	116,402	0	5,405	3,693	244,034		
19	87,749		5,343	231	5,519	0	306	175	11,574		
Total Residential	1,650,922		118,536	5,572	121,921	0	5,711	3,868	255,608		
2	836,705	2,870	45,678	3,948	45,664	0	2,844	387	98,521		
20	49,402	126	1,980	131	1,565	0	168	15	3,859		
Total Secondary	886,107	2,996	47,658	4,079	47,229	0	3,012	402	102,380		
2	30,711	102	1,415	12	1,702	0	104	12	3,245		
3	398,772	1,015	11,836	258	7,649	0	1,349	85	21,177		
9	310,962	719	8,252	225	17,105	0	1,056	110	26,748		
9 substation	118,823	183	1,555	0	2,290	0	404	14	4,263		
9 transmission	9,688	18	76	0	0	0	33	0	109		
21	61,363	128	1,500	79	385	0	210	6	2,180		
22	237,950	487	4,555	207	13,558	0	817	78	19,215		
22 substation	23,025	43	243	0	615	0	76	0	934		
22 transmission	46,634	79	333	0	3,985	0	173	16	4,507		
25	29,886	2,664	487	43	2,206	0	109	9	2,854		
Total Primary	1,267,814	5,438	30,252	824	49,495	0	4,331	330	85,232		
04	19,527		3,306	12	701	0	67	12	4,088		
05	3,398		356	0	88	0	12	0	456		
16	14,516		2,091	41	776	0	49	12	2,969		
Total Lighting	37,441	0	5,753	53	1,565	0	128	24	7,523		
Total Public Authority	96,189	179	2,173	0	6,487	0	329	37	9,026		
Total Billed	3,938,473	8,613	204,372	10,528	226,697	0	13,511	4,661	459,769		
Total Unbilled	(30,249)		(2,011)		(1,832)	0	0	(41)	(3,884)		
MFC Accrual				1,435	\$707			5	1,440		
MFC Other								2	709		
Grand Total	3,908,224	8,613	202,361	11,963	225,572	0	13,511	4,627	458,034		
									PSA Fixed Charges		
									9,420		
									Intercompany Fuel & PSA Bill		
									17,873		
									Grand Total Revenue		
									<u>485,327</u>		

Note: Excludes Company Use Revenues and Sales

**ORANGE & ROCKLAND ELECTRIC
ELECTRIC SALES VOLUMES AND REVENUES FROM SALES VOLUMES BY SERVICE CLASSIFICATION
FORECASTED RY 12 MONTHS ENDING JUNE 30, 2013**

REVENUES (\$000s)									
SC.NO.	Volumes (Thousands KWHR) (Column 1)	Sum of Monthly Billable Demand (MW) (Column 2)	Non Competitive Delivery Revenues at Current Rates (Column 3)	Competitive Service Rates BPP/MFC/Metering (Column 4)	Market Supply Charge (Column 5)	Energy Cost Adjustment (Column 6)	System Benefit Charge (Column 7)	Revenue Tax (Column 8)	Total Revenue (Column 9)
1	1,563,883		113,436	5,360	120,298	0	3,867	3,708	246,669
19	87,717		5,361	231	5,748	0	217	175	11,732
Total Residential	1,651,600		118,797	5,591	126,046	0	4,084	3,883	258,401
2	828,020	2,757	45,226	3,981	46,161	0	2,062	385	97,815
20	49,059	119	1,908	136	1,495	0	123	14	3,676
Total Secondary	877,079	2,876	47,134	4,117	47,656	0	2,185	399	101,491
2	30,483	92	1,374	12	1,766	0	78	12	3,242
3	404,170	1,014	12,165	258	6,376	0	1,005	80	19,884
9	301,965	682	7,871	225	17,306	0	753	106	26,261
9 substation	115,349	177	1,509	0	2,310	0	289	13	4,121
9 transmission	9,420	17	72	0	0	0	24	0	96
21	59,539	113	1,364	79	202	0	147	5	1,797
22	230,469	462	4,340	207	13,670	0	575	77	18,869
22 substation	22,416	43	242	0	626	0	57	1	926
22 transmission	28,035	41	179	0	2,463	0	70	12	2,724
25	29,343	2,645	478	43	2,226	0	70	9	2,826
Total Primary	1,231,189	5,286	29,594	824	46,945	0	3,068	315	80,746
04	19,624		3,343	12	731	0	52	12	4,150
05	3,419		358	0	90	0	12	0	460
16	14,586		2,101	41	810	0	37	12	3,001
Total Lighting	37,629	0	5,802	53	1,631	0	101	24	7,611
Total Public Authority	98,113	180	2,190	0	6,839	0	245	40	9,314
Total Billed	3,895,610	8,342	203,517	10,585	229,117	0	9,683	4,661	457,563
Total Unbilled	1,029		437		(13)		0	0	424
MFC Accrual				1,435				5	1,440
MFC Other					700			2	702
Grand Total	3,896,639	8,342	203,954	12,020	229,804	0	9,683	4,668	460,129
							PSA Fixed Charge		9,488
							Intercompany Fuel & PSA Bill		18,822
							Grand Total Revenue		488,439

Note: Excludes Company Use Revenues and Sales

**ORANGE & ROCKLAND ELECTRIC
ELECTRIC SALES VOLUMES AND REVENUES FROM SALES VOLUMES BY SERVICE CLASSIFICATION
FORECASTED RY 12 MONTHS ENDING JUNE 30, 2014**

		REVENUES (\$000s)									
SC.NO.	Volumes (Thousands KWHR) (Column 1)	Sum of Monthly Billable Demand (MW) (Column 2)	Non Competitive Delivery Revenues at Current Rates (Column 3)	Competitive Service Rates BPP/MFC/Metering (Column 4)	Market Supply Charge (Column 5)	Energy Cost Adjustment (Column 6)	System Benefit Change (Column 7)	Revenue Tax (Column 8)	Total Revenue (Column 9)		
1	1,575,707		114,709	5,375	126,545	0	4,524	3,773	254,926		
19	88,408		5,438	231	6,045	0	252	181	12,147		
Total Residential	1,664,115		120,147	5,606	132,590	0	4,776	3,954	267,073		
2	826,841	2,688	44,589	4,025	47,507	0	2,388	387	98,896		
20	49,167	120	1,940	143	1,434	0	143	15	3,675		
Total Secondary	876,008	2,808	46,529	4,168	48,941	0	2,531	402	102,571		
2	30,515	88	1,335	12	1,856	0	88	12	3,303		
3	399,991	989	11,776	258	5,563	0	1,156	76	18,829		
9	296,722	664	7,851	225	17,857	0	859	109	26,901		
9 substation	113,234	174	1,496	0	2,386	0	329	13	4,224		
9 transmission	9,248	15	67	0	0	0	27	0	94		
21	58,390	110	1,356	79	140	0	168	5	1,748		
22	226,318	443	4,231	207	14,102	0	656	80	19,276		
22 substation	21,730	41	234	0	638	0	64	1	937		
22 transmission	24,147	32	145	0	2,218	0	71	11	2,445		
25	28,862	2,709	470	43	2,018	0	84	7	2,622		
Total Primary	1,209,157	5,265	28,961	824	46,778	0	3,502	314	80,379		
04	19,751		3,375	12	774	0	58	12	4,231		
05	3,446		361	0	98	0	12	0	471		
16	14,686		2,107	41	859	0	45	12	3,064		
Total Lighting	37,883	0	5,843	53	1,731	0	115	24	7,766		
Total Public Authority	99,864	184	2,259	0	6,573	0	287	37	9,156		
Total Billed	3,887,027	8,257	203,739	10,651	236,613	0	11,211	4,731	466,945		
Total Unbilled	(467)		(11)		37	0	0	1	27		
MFC Accrual				1,435	698			5	1,440		
MFC Other								2	700		
Grand Total	3,886,560	8,257	203,728	12,086	236,650	0	11,211	4,739	469,112		
										PSA Fixed Charge	
										10,081	
										Intercompany Fuel & PSA Bill	
										19,739	
										Grand Total Revenue	
										498,932	

Note: Excludes Company Use Revenues and Sales

ORANGE AND ROCKLAND UTILITIES, INC.

INDEX OF SCHEDULES

Electric Operating Income for the Twelve Months
Ended June 30, 2012

<u>SCHEDULE</u>	<u>TITLE OF SCHEDULE</u>	<u>WITNESS</u>
2	Operating Income, Rate Base & Rate of Return	Richard A. Kane
4	Amortization of Regulatory Deferrals	"
5	Operating Revenues - Electric	"
7	Taxes Other than Income Taxes - Electric	"
8	State Income Tax Expense - Electric	"
9	Federal Income Tax Expense - Electric	"
10	Interest Expense - Electric	"
14	Summary of Adjustments to Electric Cost of Service	"
	Operations and Maintenance Expense - See E-5	

Orange and Rockland Utilities, Inc.
Electric Service

Operating Income, Rate Base & Rate of Return
For the Twelve Months Ending June 30, 2012

	Per Company As Filed	E-4 Sch. 14 Ref.	Update Adjustments	Per company Update	R Y1 Revenue Increase	Per Company After Increase
Operating Revenues	\$459,659	1a - 1e	(\$1,627)	\$458,032	\$64,436	\$522,468
Sales & Deliveries to Public	28,884	1f	(1,592)	27,292		27,292
Sales for Resale	488,543		(3,218)	485,325	64,436	549,761
Delivery Revenues	18,217	1g - 1t	1,340	19,557	329	19,886
Other Operating Revenues	506,760		(1,879)	504,881	64,765	569,646
Net Revenues						
Operating Expense	247,101	2	(1,534)	245,567		245,567
Purchased Power	(71)		-	(71)		(71)
Deferred Purchased Power	172,247	3 - 13	3,839	176,086	316	176,402
Operation & maintenance expense	28,326		-	28,326		28,326
Depreciation expense	3,667		-	3,667		3,667
Amortization of LTD Term Plant	34,399	14	1,199	35,598	657	36,255
Taxes other than income taxes	485,669		3,504	489,173	973	490,146
Total operating expense						
Operating income before income taxes	21,091		(5,383)	15,708	63,792	79,500
New York State income tax	128		(229)	(101)	4,529	4,428
Federal income tax	(2,099)		(1,610)	(3,709)	20,742	17,033
Deferred Federal income tax	3,358		561	3,919	0	3,919
Amortization of deferred income taxes	(1,206)		0	(1,206)	0	(1,206)
Utility operating income	\$20,910		(\$4,105)	\$16,805	\$38,521	\$55,326
Rate Base	\$682,891		(\$10,661)	\$672,230		\$672,230
Rate of Return	3.06%			2.50%		8.23%
Weighted cost of debt and preferred stock	2.97%			2.70%		2.70%
Weighted return on equity	0.10%			-0.20%		5.53%
Equity ratio	49.93%			50.20%		50.20%
Return on equity	0.19%			-0.40%		11.00%

Orange & Rockland Utilities, Inc.
 Electric Service
 Revenue Requirement Calculation
 \$000's

	Rate Year 1 Revenue Requirement Increase	Updated Rate Year 1 Revenue Requirement Increase
Rate Base (Updated E-2)	\$682,891	\$672,230
Rate of Return	<u>8.46%</u>	<u>8.23%</u>
Required Return	\$57,766	\$55,325
Income Available for Return (Updated E-4, Sch 2, pg. 1)	<u>20,910</u>	<u>16,805</u>
Deficiency	\$36,856	\$38,520
Retention Factor	<u>59.72%</u>	<u>59.78%</u>
Additional Revenue Requirement	\$61,713	\$64,436
Rate Increase As Filed (Exhibit E-4, Schedule 2)		<u>61,713</u>
Net Increase (Reduction) to Requested Rate Increase		<u>\$ 2,723</u>

Proof

Revenues	100.00%	\$61,713	100.00%	\$64,436
Less: Revenue Taxes	1.02%	629	1.02%	657
: Late Payment Charge Revenues	-0.52%	(321)	-0.51%	(329)
: Uncollectibles	0.600%	370	0.490%	316
	<u>98.90%</u>	<u>61,034</u>	<u>99.00%</u>	<u>63,792</u>
NYS income tax @ 7.1%	7.02%	4,333	7.03%	4,529
Federal income tax. @ 35%	<u>32.16%</u>	<u>19,845</u>	<u>32.19%</u>	<u>20,742</u>
* Retention Factor	<u>59.72%</u>	<u>\$36,855</u>	<u>59.78%</u>	<u>\$38,521</u>

ORANGE AND ROCKLAND UTILITIES, INC.
AMORTIZATION OF REGULATORY DEFERRALS

	Regulatory Assets (exc. Transitional Obligation)	Account	Exh. / Sched.	Change in Deferred Balance		Annual Amortization, June 30,			
				Balance 9/30/2010	10/1/10 - 6/30/11	Balance 6/30/2011	2012	2013	2014
1	Pensions / OPEBs (exc. Transitional Obligation)	Various	E-5, SCH 6	37,988,198	2,917,981	40,906,178	(13,635,393)	(13,635,393)	(13,635,393)
2	MGP	Various	E-5, SCH 8	(609,000)	11,918,000	11,309,000	(3,769,667)	(3,769,667)	(3,769,667)
3	West Nyack	182372/242376	E-5, SCH 8	238,000	(48,000)	190,000	(63,333)	(63,333)	(63,333)
4	Cottman, Newark Bay, and Bourne	Various	E-5, SCH 8	568,000	-	568,000	(189,333)	(189,333)	(189,333)
5	Storm Reserve	182373	E-5, SCH 9	10,007,119	-	10,007,119	(3,335,706)	(3,335,706)	(3,335,706)
6	R&D	188100/104	E-5, SCH 5	1,585,079	(170,005)	1,415,074	(471,691)	(471,691)	(471,691)
7	Low Income	182405/254430	E-5, SCH 5	289,256	175,744	465,000	(155,000)	(155,000)	(155,000)
8	Rate Case Costs	182568	E-5, SCH 10	12,000	138,000	150,000	(50,000)	(50,000)	(50,000)
9	MTA Mobility Tax	182448	E-4, SCH 7	416,000	202,000	618,000	(206,000)	(206,000)	(206,000)
10	Electric Property Tax Undercollection	182406	E-4, SCH 7	3,874,029	3,284,000	7,158,029	(2,386,010)	(2,386,010)	(2,386,010)
11	Interest on Pollution Control Debt	182518	E-4, SCH 5	681,990	(681,990)	-	-	-	-
12	Interest on 263A	182608	E-4, SCH 5	521,796	(521,796)	-	-	-	-
13	Property Tax Refunds - Haverstraw (86%)	254084	E-4, SCH 5	131,326	171,000	302,326	(100,775)	(100,775)	(100,775)
14	Smart Grid Stimulus Project	182412	E-4, SCH 5	12,000	46,000	58,000	(19,333)	(19,333)	(19,333)
15	Total recoveries			55,715,793	17,430,934	73,146,727	(24,382,241)	(24,382,241)	(24,382,241)
16	Regulatory Liabilities								
16	CATV Order Deferred Billing	254344	E-4, SCH 5	(228,573)	(116,000)	(344,573)	114,858	114,858	114,858
17	Net Plant Reconciliation	254331	E-4, SCH 5	(17,836,453)	(9,900,000)	(27,736,453)	9,245,484	9,245,484	9,245,484
18	Performance Penalties - CAIDI	229620	E-4, SCH 5	(405,000)	(1,000,000)	(1,405,000)	468,333	468,333	468,333
19	Oil Supplier Refunds (70%)	253064	E-4, SCH 5	(164,946)	-	(164,946)	54,982	54,982	54,982
20	Deferred SIT - NYS Rate Change 7.5% - 7.1%	229116	E-4, SCH 5	(303,103)	-	(303,103)	-	-	-
21	Current SIT - NYS Rate Change 7.5% - 7.1%	254313	E-4, SCH 5	(18,938,075)	(11,016,000)	(29,954,075)	101,034	101,034	101,034
22	Total refunds			36,777,718	6,414,934	43,192,652	(9,984,691)	(9,984,691)	(9,984,691)
23	Recoveries less Refunds						(14,397,550)	(14,397,550)	(14,397,550)

Orange and Rockland Utilities, Inc.
Electric Service
Other Operating Revenues
For the Twelve Months Ending June 30, 2012

	Per Company As Filed	E-4 Sch. 14 Ref.	Company Updates	Update Per Company	Effect of Revenue Increase	After Increase
MISCELLANEOUS SERVICE & OTHER REVENUES						
Late Payment Charges (A/C 456301), (A/C 456330)	\$ 2,445	1g	\$ (16)	\$ 2,429	\$ 329	\$ 2,757
Late Payment Charges - Sundry (A/C 456325)	5		-	5	-	5
O&R Billing Services (A/C 451380), (A/C 456015)	352		-	352	-	352
Customer Reconnect Fees (A/C 451102)	157		-	157	-	157
Collection Charges (A/C 451106)	89	1h	7	96	-	96
Bad Check Charge (A/C 456401)	40		-	40	-	40
Forfeited Customer Advances (A/C 456501)	90		-	90	-	90
Carrying Charge (A/C 456601)	58		-	58	-	58
Agency Checks Dishonored (A/C 456920)	58	1i	(60)	(2)	-	(2)
Other	9		-	9	-	9
	<u>3,303</u>		<u>(69)</u>	<u>3,234</u>	<u>329</u>	<u>3,562</u>
RENTS						
Pole Attachments (454003)	1,418	1j	19	1,437	-	1,437
Other Electric Property (454004)	858		-	858	-	858
Transformers (454050)	1		-	1	-	1
Intercompany Billing - Joint Use Rents (454001, 454002)	2,956	1k	(34)	2,922	-	2,922
	<u>5,233</u>		<u>(15)</u>	<u>5,218</u>	<u>-</u>	<u>5,218</u>
REGULATORY ITEMS - Reconciliations						
POR Discount - Credit And Collections (A/C 456061)	900	1l	(61)	839	-	839
POR Discount - Uncollectibles (A/C 456062)	366	1m	36	402	-	402
	<u>1,266</u>		<u>(25)</u>	<u>1,241</u>	<u>-</u>	<u>1,241</u>
REGULATORY ITEMS - Recoveries / Refunds						
Interest on Pollution Control Debt	(293)	1n	293	-	-	-
Interest on 263A	-		-	-	-	-
Property Tax Refunds - Haverstraw (86%)	(101)		-	(101)	-	(101)
Smart Grid Stimulus Project	-	1o	(19)	(19)	-	(19)
CATV Order Deferred Billing (A/C 456451)	38	1p	77	115	-	115
Net Plant Reconciliation (A/C 456064)	8,375	1q	870	9,245	-	9,245
Performance Penalties - CAIDI	135	1r	333	468	-	468
Oil Supplier Refunds (70%)	55		-	55	-	55
Deferred SIT - NYS Rate Change 7.5% - 7.1%	87	1s	(87)	-	-	-
Current SIT - NYS Rate Change 7.5% - 7.1%	119	1t	(18)	101	-	101
	<u>8,415</u>		<u>1,449</u>	<u>9,864</u>	<u>-</u>	<u>9,864</u>
TOTAL OTHER OPERATING REVENUES	<u>18,217</u>		<u>1,340</u>	<u>19,557</u>	<u>329</u>	<u>19,886</u>

Orange and Rockland Utilities, Inc.
 Electric Service
 Taxes Other than Income Taxes
 For the Twelve Months Ending June 30, 2012

	As Filed Per <u>Company</u>	E-4 Sch. 14 <u>Ref.</u>	Company <u>Updates</u>	Update Per <u>Company</u>	Effect of Revenue <u>Increase</u>	<u>After Increase</u>
State, County & Town (408180, 408185)	\$6,318	14a	\$ 173	\$ 6,491	-	\$ 6,491
Village (408181, 408186)	1,596	14b	(73)	1,523	-	1,523
School (408182, 408187)	16,327	14c	426	16,753	-	16,753
3 year amort of deferred property taxes	1,756	14d	630	2,386	-	2,386
Payroll Taxes (excluding Mobility Tax)	3,338	14e	(9)	3,329	-	3,329
Mobility Tax	276	14f	9	285	-	285
3 year amort of deferred mobility taxes	121	14g	85	206	-	206
Revenue taxes - sales revenue	<u>4,667</u>	14h	<u>(42)</u>	<u>4,625</u>	<u>657</u>	<u>5,282</u>
Total Taxes Other Than Income Taxes	<u>\$34,399</u>		<u>\$1,199</u>	<u>\$35,598</u>	<u>\$657</u>	<u>\$36,255</u>

Orange and Rockland Utilities, Inc.
Electric Service
State Income Tax
For the Twelve Months Ending June 30, 2012

	As Filed Per Company	Company Updates	Update Per Company	Effect of Revenue Increase	After Increase
OPERATING INCOME BEFORE TAX	\$21,091	\$ (5,383)	\$15,708	\$63,792	\$ 79,500
SECTION I - PERMANENT DIFFERENCES					
ADD ADDITIONAL TAXABLE INCOME AND UNALLOWABLE DEDUCTIONS:					
BUSINESS MEAL EXPENSE	-	-	-	-	-
UNALLOWABLE COMPENSATION	-	-	-	-	-
TOTAL FLOW THRU ADDITIONS	-	-	-	-	-
DEDUCT NONTAXABLE INCOME AND ADDITIONAL ALLOWABLE DEDUCTIONS:					
INTEREST EXPENSE	21,061	(2,157)	18,904	-	18,904
MEDICARE REIMBURSEMENT	-	-	-	-	-
TOTAL FLOW THRU DEDUCTIONS	21,061	(2,157)	18,904	-	18,904
PRETAX INCOME	30	(3,226)	(3,196)	63,792	60,596
SECTION II - NORMALIZED ITEMS					
ADD ADDITIONAL TAXABLE INCOME AND UNALLOWABLE DEDUCTIONS:					
BOOK DEPRECIATION - EXPENSE	30,888	-	30,888	-	30,888
- CHARGED TO CLEARING	4,085	-	4,085	-	4,085
BOOK DEPRECIATION - EXPENSE (PROPOSED RATES)	1,105	-	1,105	-	1,105
TOTAL NORMALIZED ADDITIONS	36,078	-	36,078	-	36,078
DEDUCT NONTAXABLE INCOME AND ADDITIONAL ALLOWABLE DEDUCTIONS:					
NYS TAX DEPRECIATION (EXISTING RATES)	48,257	(4,839)	43,418	-	43,418
COST OF REMOVAL	2,331	-	2,331	-	2,331
LIEN DATE PROPERTY TAX DEDUCTION	740	-	740	-	740
LOSS ON DISPOSITION OF PROPERTY	831	-	831	-	831
TOTAL	52,159	(4,839)	47,320	-	47,320
SECTION II - NORMALIZED ITEMS					
ADD: ADDITIONAL TAXABLE INCOME AND UNALLOWABLE DEDUCTIONS:					
POST EMPLOYMENT BENEFITS CAPIT. / EXP. (FASB 106)	11,951	0	11,951	-	11,951
CONTRIBUTIONS IN AID OF CONSTRUCTION	620	-	620	-	620
CONTRIBUTIONS IN AID OF CONST. - REFUNDABLES	(166)	-	(166)	-	(166)
INCREASE IN DEFERRED FUEL COST	(71)	-	(71)	-	(71)
R&D EXPENSE DEBITED TO RESERVE	565	(93)	472	-	472
INTEREST ON NET PLANT	(8,375)	(870)	(9,245)	-	(9,245)
SUPPLEMENTAL PENSION - NONQUALIFIED	1,647	110	1,757	-	1,757
UNALLOWABLE BOOK PENSION EXPENSE	24,283	3,941	28,224	-	28,224
PROPERTY TAX REFUND	(101)	-	(101)	-	(101)
TOTAL NORMALIZED ADDITIONS	30,353	3,088	33,441	-	33,441
DEDUCT NONTAXABLE INCOME AND ADDITIONAL ALLOWABLE DEDUCTIONS:					
RATE CASE COSTS	(50)	-	(50)	-	(50)
OPEB FUNDING	4,808	-	4,808	-	4,808
ENVIRONMENTAL COST - QER EXPEND. SECTION 198	1,641	-	1,641	-	1,641
STORM DAMAGE DEFERRED ON BOOKS	(2,981)	(355)	(3,336)	-	(3,336)
PENSION FUNDING	15,186	7,597	22,783	-	22,783
AMORTIZATION - CIAC PYRAMID MALL	120	-	120	-	120
CHANGE OF ACCOUNTING- SEC 263A ADJ	14,646	-	14,646	-	14,646
SOFTWARE COST - DEVELOPED CIMS- PLUS - WALKER	2,602	-	2,602	-	2,602
TOTAL	35,972	7,242	43,214	-	43,214
TAXABLE INCOME OR (LOSS)	(21,670)	(2,541)	(24,211)	63,792	39,581
SUMMARY OF STATE INCOME TAXES					
CURRENT STATE INCOME TAXES @ 7.1%	(1,539)	(180)	(1,719)	4,529	2,810
DEFERRED STATE INCOME TAXES @ 7.1%	1,541	(49)	1,492	-	1,492
TOTAL CURRENT PERIOD SIT	2	(229)	(227)	4,529	4,302
MTA TAX @1.53%	-	-	-	-	-
DEFERRED STATE MTA TAXES @ 1.53%	126	-	126	-	126
DEFERRED TAX - PRE 2000 TRANSITIONAL ITEMS	-	-	-	-	-
NYS INCOME TAX	\$ 128	\$ (229)	\$ (101)	\$ 4,529	\$ 4,428

Orange and Rockland Utilities, Inc.
 Electric Service
 Federal Income Tax
 For the Twelve Months Ending June 30, 2012

	As Filed Per Company	Company Updates	Update Per Company	Effect of Revenue Increase	After Increase
OPERATING INCOME BEFORE TAX	\$21,091	\$ (5,383)	\$ 15,708	\$63,792	\$ 79,500
NYS INCOME TAX - CURRENT	2	(229)	(227)	4,529	4,302
BOOK INCOME BEFORE FIT	21,089	(5,154)	15,935	59,263	75,198
SECTION I - FLOW THRU ITEMS					
ADD ADDITIONAL TAXABLE INCOME AND UNALLOWABLE DEDUCTIONS:					
BOOK DEPRECIATION - EXPENSE	30,888	-	30,888	-	30,888
- CHARGED TO CLEARING	4,085	-	4,085	-	4,085
BOOK DEPRECIATION - EXPENSE (PROPOSED RATES)	1,105	-	1,105	-	1,105
TOTAL FLOW THRU ADDITIONS	36,078	-	36,078	-	36,078
DEDUCT NONTAXABLE INCOME AND ADDITIONAL ALLOWABLE DEDUCTIONS:					
INTEREST EXPENSE	21,061	(2,157)	18,904	-	18,904
LIEN DATE PROPERTY TAX DEDUCTION	740	-	740	-	740
STATUTORY DEPRECIATION - CURRENT BOOK RATES	27,887	-	27,887	-	27,887
- PROPOSED BOOK RATES	720	-	720	-	720
COST OF REMOVAL	2,331	-	2,331	-	2,331
-	-	-	-	-	-
-	-	-	-	-	-
LOSS ON DISPOSITION OF PROPERTY	831	-	831	-	831
TOTAL FLOW THRU DEDUCTIONS	53,570	(2,157)	51,413	-	51,413
PRETAX INCOME	3,597	(2,997)	600	59,263	59,863
SECTION II - NORMALIZED ITEMS					
ADD ADDITIONAL TAXABLE INCOME AND UNALLOWABLE DEDUCTIONS:					
AMORTIZATION OF BOND REDEMPTION COSTS	155	-	155	-	155
POST EMPLOYMENT BENEFITS CAPIT. / EXP. (FASB 106)	11,951	0	11,951	-	11,951
DEFERRED STATE INCOME TAX NON DEDUCTIBLE	1,540	(49)	1,491	-	1,491
CONTRIBUTIONS IN AID OF CONSTRUCTION	620	-	620	-	620
CONTRIBUTIONS IN AID OF CONST. - REFUNDABLES	(166)	-	(166)	-	(166)
INCREASE IN DEFERRED FUEL COST	(71)	-	(71)	-	(71)
R&D EXPENSE DEBITED TO RESERVE	565	(93)	472	-	472
INTEREST ON NET PLANT	(8,375)	(870)	(9,245)	-	(9,245)
BOOK AMORTIZATION COMPUTER SOFTWARE	2,602	-	2,602	-	2,602
SUPPLEMENTAL PENSION - NONQUALIFIED	1,647	110	1,757	-	1,757
EXCESS BOOK OVER TAX DEPR. - B.H.	(21)	-	(21)	-	(21)
UNALLOWABLE BOOK PENSION EXPENSE	24,283	3,941	28,224	-	28,224
PROPERTY TAX REFUND	(101)	-	(101)	-	(101)
TOTAL NORMALIZED ADDITIONS	34,629	3,039	37,668	-	37,668
DEDUCT NONTAXABLE INCOME AND ADDITIONAL ALLOWABLE DEDUCTIONS:					
RATE CASE COSTS	(50)	-	(50)	-	(50)
OPEB FUNDING	4,808	-	4,808	-	4,808
EXCESS TAX DEPR. OVER VEH. LEASE EXP.	(378)	-	(378)	-	(378)
ENVIRONMENTAL COST - QER EXPEND. SECTION 198	1,641	-	1,641	-	1,641
STORM DAMAGE DEFERRED ON BOOKS	(2,981)	(355)	(3,336)	-	(3,336)
PENSION FUNDING	15,186	7,597	22,783	-	22,783
AMORTIZATION - CIAC PYRAMID MALL	120	-	120	-	120
TAX DEPRECIATION (NORM) - ADR/ACRS/MACRS	9,598	(2,599)	6,999	-	6,999
TAX DEPRECIATION (NORM) - ADR/ACRS/MACRS	(720)	-	(720)	-	(720)
TAX DEPRECIATION - CIAC	897	-	897	-	897
CHANGE OF ACCOUNTING- SEC 263A ADJ	13,499	-	13,499	-	13,499
SOFTWARE COST - DEVELOPED CIMS- PLUS - WALKER	2,602	-	2,602	-	2,602
TOTAL	44,222	4,643	48,865	-	48,865
TAXABLE INCOME OR (LOSS)	(5,996)	(4,600)	(10,596)	59,263	48,666
SUMMARY OF FEDERAL INCOME TAXES					
CURRENT FEDERAL INCOME TAXES	(2,099)	(1,610)	(3,709)	20,742	17,033
DEFERRED FEDERAL INCOME TAXES	3,358	561	3,919	-	3,919
AMORTIZATION OF DEFERRED 263A TAXES	(1,206)	-	(1,206)	-	(1,206)
AMORTIZATION OF DEFERRED FIT & ITC	-	-	-	-	-
TOTAL CURRENT PERIOD FIT	53	(1,049)	(996)	20,742	19,746
PRIOR YEAR ADJUSTMENTS FIT RESERVE	-	-	-	-	-
PRIOR YEARS (OVER)/UNDER ACCRUAL	-	-	-	-	-
FEDERAL INCOME TAX EXPENSE	53	(1,049)	(996)	20,742	19,746

Orange and Rockland Utilities, Inc.
 Electric Service
 Interest Expense - Calculated from Rate Base
 For the Twelve Months Ending June 30, 2012

	As Filed Per <u>Company</u>	Exh. Ref	Company Updates	Update Per <u>Company</u>	Effect of Revenue Increase	<u>After Increase</u>
Rate Base	\$682,891	E- 2	-\$10,661	\$672,230	\$0	\$672,230
Interest Bearing CWIP	27,115		-	27,115	-	27,115
Dividends declared	-		-	-	-	-
Earnings Base	<u>710,006</u>		<u>(10,661)</u>	<u>699,345</u>	-	<u>699,345</u>
Embedded Cost of Debt	<u>2.97%</u>			<u>2.70%</u>		<u>2.70%</u>
Allowable interest deduction - Federal	<u>\$21,061</u>		<u>(\$2,157)</u>	<u>\$18,904</u>	<u>\$0</u>	<u>\$18,904</u>

Orange and Rockland Utilities, Inc.
 Electric Service
 Summary of Adjustments
 For the Twelve Months Ending June 30, 2012

Adj. No.		Amount
	<u>Sales Revenues</u>	
1a	To reflect change in delivery revenues	(\$2,009)
1b	To reflect change in competitive service rates	1,795
1c	To reflect change in Market Supply Charge (tracking adjustment -- see 2a)	(1,534)
1d	To reflect change in SBC / RPS Revenues (tracking adjustment -- see 12a)	163
1e	To reflect change in Tax Recovery Revenue (tracking adjustment -- see 14h)	(42)
1f	To reflect corrections to Fixed PSA Billings	(1,592)
	Total Adjustments to Sales Revenues	<u><u>(\$3,218)</u></u>
	<u>Other Operating Revenues</u>	
1g	To track late payment charge rate of 0.51% to changes in sales revenues	(16)
1h	To reflect 2 year average of Collection Charges revenues	7
1i	To reflect 3 year average of Agency Checks Dishonored revenues (DPS11-64)	(60)
1j	To reflect forecast of pole attachment revenues based on the latest available tariffs (DPS11-63)	19
1k	To update for latest Joint Use Rents Study (DPS13-69)	(34)
1l	To reflect 2 year average of POR discount - Credit And Collections	(61)
1m	To reflect 2 year average of POR discount - Uncollectibles	36
1n	To reflect change in estimate of 6/30/11 balance of interest on pollution control debt	293
1o	To reflect recovery of Smart Grid Stimulus Project	(19)
1p	To reflect change in estimate of 6/30/11 balance of CATV deferred billing (DPS11-63)	77
1q	To reflect change in estimate of 6/30/11 balance of Net Plant reconciliation	870
1r	To reflect change in estimate of 6/30/11 balance due to projected 2010 CAIDI penalty	333
1s	To reflect change in estimate of 6/30/11 balance due to passback of 2007 SIT rate change in Case 07-E-0949	(87)
1t	To reflect change in estimate of 6/30/11 balance due to passback of 2007 SIT rate change in Case 07-E-0949	(18)
	Total Adjustments to Other Operating Revenues	<u><u>1,340</u></u>

Orange and Rockland Utilities, Inc.
Electric Service
Summary of Adjustments
For the Twelve Months Ending June 30, 2012

Adj. No.		<u>Amount</u>	
	<u>Operation and maintenance expense</u>		
	<u>Purchased Power expense</u>		
2a	To reflect change in Market Supply Charge (tracking adjustment -- see 1c)	(1,534)	
	Total adjustments to Purchased Power expense		(1,534)
	<u>Direct Labor (Exc. Shared Services)</u>		
3a	To reflect 2.5% management increase	(92)	
3b	To remove the capital portion of the labor cost for Stray Voltage Field Supervisor (DPS5-24)	(32)	
	Total adjustments to Direct Labor		(124)
	<u>Shared Services</u>		
4a	To reflect 2.5% management increase	(13)	
4b	To adjust the Excess Liability Insurance component of Corporate Insurance (DPS25-150)	(65)	
	Total adjustments to Shared Services		(78)
	<u>Employee and Other Insurance costs</u>		
5a	To reflect increased health insurance costs due to health care reform legislation & higher known premiums	732	
5b	To correct Capitalized & Recovered Workers' Compensation	70	
5c	To correct General Liability Insurance per DPS 10-57	(276)	
	Total adjustments to Employee and other Insurance costs		526
	<u>R&D, MHP, Low Income Program</u>		
6a	To update R&D amortization of deferred balance	(93)	
6b	To update Low Income amortization of deferred balance	(15)	
	Total adjustments to R&D, MHP and Low Income		(108)
	<u>Employee Pensions/OPEB's</u>		
7a	To update pension costs	4,082	
7b	To reflect 1% productivity on increased pension costs (excluding change in deferral)	(34)	
	Total adjustments to Employee Pensions / OPEB's		4,048
	<u>Uncollectible Accounts</u>		
8a	To update Customer uncollectibles thru 9/30/10	(471)	
8b	To update sundry uncollectibles thru 9/30/10	10	
8c	To track uncollectible rate of 0.49% to revenue changes	(16)	
8d	To track uncollectible rate of 0.49% to revenue changes in original filing in lieu of 0.60%	(35)	
	Total adjustments to Uncollectible Accounts		(512)
	<u>Environmental costs</u>		
9a	To update Environmental Cost based on deferrals thru 9/30/11	(12)	
	Total adjustments to Environmental costs		(12)
	<u>Tree Trimming / T&D O&M</u>		
10a	To update Stray Voltage Repair Program	17	
10b	To update Distribution SCADA Maint & Support Program	(133)	
10c	To update Storm Reserve amortization of deferred balance	355	
	Total adjustments to Tree Trimming / T&D O&M		238
	<u>Regulatory Commission expenses</u>		
11a	To reflect latest billing information	(29)	
	Total adjustments to Regulatory Commission expenses		(29)
	<u>Customer Programs</u>		
12a	To update SBC / RPS (tracking adjustment -- see 1d)	163	
	Total adjustments to Customer Programs		163
	<u>Other O&M</u>		
13a	To update Telephones for elimination of telephone / LAN upgrade program change	(273)	
	Total adjustments to Other O&M		(273)
	Total adjustments to operation and maintenance expense		<u>2,305</u>

Orange and Rockland Utilities, Inc.
 Electric Service
 Summary of Adjustments
 For the Twelve Months Ending June 30, 2012

<u>Adj. No.</u>		<u>Amount</u>
	<u>Taxes other than income taxes</u>	
14a	To adjust property taxes (State/County/Town)	173
14b	To adjust property taxes (Village)	(73)
14c	To adjust property taxes (School)	426
14d	To reflect change in estimate of 6/30/11 balance of property tax undercollection	630
14e	To track payroll taxes to labor changes	(9)
14f	To reflect mobility tax rate of 0.34%	9
14g	To reflect change in estimate of 6/30/11 balance of mobility tax undercollection	85
14h	To reflect change in revenue tax recoveries (tracking adjustment -- see 1e)	<u>(42)</u>
	Total adjustments to taxes other than income taxes	<u><u>\$1,199</u></u>

ORANGE AND ROCKLAND UTILITIES, INC.

INDEX OF SCHEDULES

Electric Operating Expenses

<u>SCHEDULE</u>	<u>TITLE OF SCHEDULE</u>	<u>WITNESS</u>
Summary	Summary of Electric Operating Expenses	Various
1	Purchased Power Costs	R. A. Kane
2	Direct Labor	K. A. Kosior
3	Shared Services	"
4	Employee & Other Insurance Costs	R. A. Kane
5	Research & Development, Low Income	Various
6	Pensions and OPEBs	R. A. Kane
7	Uncollectible Costs	"
8	MGP Sites & Environmental Costs	"
9	Tree Trimming & Other T&D Costs	Various
10	Regulatory Commission Expenses	R. A. Kane
11	Customer Programs	"
12	Other O&M Costs	Various

Orange and Rockland Utilities, Inc.
 Electric Service
 Operations & Maintenance Expenses
 For the Twelve Months Ending June 30, 2012

	Per Company <u>As Filed</u>	E-4 Sch. 14 <u>Ref</u>	Company <u>Updates</u>	Update Per <u>Company</u>	Effect of Revenue <u>Increase</u>	<u>After Increase</u>
Purchased Power	\$247,030	2	(1,534)	\$245,496	-	\$245,496
Direct Labor (Exc. Shared Services)	44,170	3	(124)	44,046	-	44,046
Shared Services	9,935	4	(78)	9,857	-	9,857
Employee and Other Insurance costs	8,655	5	526	9,181	-	9,181
R&D, MHP, Low Income Program	2,357	6	(108)	2,249	-	2,249
Employee Pensions/OPEB's	39,685	7	4,048	43,733	-	43,733
Uncollectible Accounts	3,033	8	(512)	2,521	316	2,837
Environmental costs	4,034	9	(12)	4,022	-	4,022
Tree Trimming / T&D O&M	31,796	10	238	32,034	-	32,034
Regulatory Commission expenses	1,362	11	(29)	1,333	-	1,333
Customer Programs	13,348	12	163	13,511	-	13,511
<u>Other</u>						
Advertising	33		-	33	-	33
Building Services	304		-	304	-	304
Information Technology Solutions	3,787		-	3,787	-	3,787
Legal & Other Professional Services	980		-	980	-	980
Rents	1,124		-	1,124	-	1,124
Materials and Supplies	1,368		-	1,368	-	1,368
Corporate & Fiscal	1,154		-	1,154	-	1,154
Telephone	325	13	(273)	52	-	52
Transportation	531		-	531	-	531
Other O&M	4,266		-	4,266	-	4,266
Total O & M Expense	<u>\$419,277</u>		<u>\$2,305</u>	<u>\$421,582</u>	<u>\$316</u>	<u>\$421,898</u>

ORANGE AND ROCKLAND UTILITIES, INC.

Electric Operating Expenses
 Purchased Power Costs
 (\$000s)

TWELVE MONTHS ENDED

<u>ITEM</u>	<u>Per Books 03/31/10</u>	<u>Normalizing Adjustments</u>	<u>Program Changes</u>	<u>Labor Escalation</u>	<u>General Escalation</u>	<u>Other Escalation</u>	<u>06/30/12</u>
Purchased Power Expense (MSC)	178,062	0	32,332	0	0	0	210,394
Borderline Purchases (NYSEG / CHGE) (MSC)	39	0	0	0	0	0	39
Capacity Purchases (MSC)	27,323	0	5,976	0	0	0	33,299
Transmission Congestion Purchases (ECA)	132	0	0	0	0	0	132
Transmission Congestion Credits (ECA)	(349)	0	0	0	0	0	(349)
Load Dispatching Costs (base rates)	702	0	60	0	25	0	787
Company Use (base rates)	1,055	0	210	0	0	0	1,265
Deferred Purchased Power Expense	1,830	0	(1,901)	0	0	0	(71)
Total	<u>208,794</u>	<u>0</u>	<u>36,677</u>	<u>0</u>	<u>25</u>	<u>0</u>	<u>245,496</u>

ORANGE AND ROCKLAND UTILITIES, INC.
 Direct Labor Expense
 (000s)

ITEM	Test Year			Rate Year 1 (12 Mos 6/30/2012)		
	Per Books 12 Mos 3/31/10	Normalizing Adjustments	Test Year Normalized	Program Changes	Escalation	
(Note A)						
<u>Total Corporate</u>						
Weekly (Incl. P/T & Temps.)	63,014,773	0	63,014,773	13,234	3,288,853	66,316,860
Monthly	47,930,499	(452,500)	47,477,999	1,572,500	2,614,248	51,664,747
Total	<u>110,945,272</u>	<u>(452,500)</u>	<u>110,492,772</u>	<u>1,585,734</u>	<u>5,903,102</u>	<u>117,981,607</u>
<u>Distribution</u>						
Electric Expense	40,872,433	(253,083)	40,619,350	790,163	2,635,932	44,045,445
Gas Expense	21,226,586	(104,663)	21,121,923	69,844	823,327	22,015,094
Construction	18,683,917	0	18,683,917	453,602	959,999	20,097,517
Subsidiary Companies	16,189,267	(94,754)	16,094,514	272,125	949,845	17,316,483
All Other	13,973,069		13,973,069	0	533,999	14,507,068
Total	<u>110,945,272</u>	<u>(452,500)</u>	<u>110,492,772</u>	<u>1,585,734</u>	<u>5,903,102</u>	<u>117,981,607</u>

Note A: In addition to escalation, this column includes normalizing adjustments for annualization of salaries for 22 positions hired during the test year and the linking period (April 2010 through June 2011).

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 Shared Services
 (\$000s)

TWELVE MONTHS ENDED

<u>ITEM</u>	<u>Per Books 03/31/10</u>	<u>Normalizing Adjustments</u>	<u>Program Changes</u>	<u>Labor Escalation</u>	<u>General Escalation</u>	<u>Other Escalation</u>	<u>06/30/12</u>
<u>Total Corporate</u>							
Allocated:							
Labor	9,270	0	0	489	0	0	9,759
Fringes	2,177	0	0	0	0	115	2,292
Facility charges	1,552	0	0	0	51	0	1,603
Non labor expense	1,596	0	0	0	53	0	1,649
CEI Services	649	0	0	0	21	0	670
Corp Insurance	1,447	0	0	0	48	0	1,495
O&R Direct Charges	682	0	0	0	23	0	705
Total	<u>17,373</u>	<u>0</u>	<u>0</u>	<u>489</u>	<u>196</u>	<u>115</u>	<u>18,172</u>
<u>O&R Electric</u>							
Allocated:							
Labor	5,062	0	0	267	0	0	5,329
Fringes	1,189	0	0	0	0	63	1,252
Facility Charges	848	0	0	0	28	0	876
Direct Expenses	872	0	0	0	29	0	900
CEI Services	353	0	0	0	12	0	365
Total	<u>9,485</u>	<u>(63)</u>	<u>0</u>	<u>267</u>	<u>105</u>	<u>63</u>	<u>9,857</u>

ORANGE AND ROCKLAND UTILITIES, INC.

Electric Operating Expenses
 Employee & Other Insurance Costs
 (\$000s)

TWELVE MONTHS ENDED

<u>O&R Electric Expense</u>	<u>Per Books 03/31/10</u>	<u>Normalizing Adjustments</u>	<u>Program Changes</u>	<u>Labor Escalation</u>	<u>General Escalation</u>	<u>Other Escalation</u>	<u>06/30/12</u>
Health Insurance Costs	10,178	0	210	0	1,076	(104)	11,361
Life Insurance Costs	136	302	0	0	14	(4)	448
Capitalized & Recovered Benefit Costs	(4,636)	(136)	(96)	0	(161)	49	(4,980)
Other Employee Benefit Costs	1,347	(491)	0	0	28	0	884
Property Insurance	164	0	14	0	6	0	184
General Liability Insurance	383	(267)	0	0	4	0	120
Injuries & Damages / Workers Compensation							
- Injuries and Damages (Claims)	1,267	0	(795)	0	16	0	488
- Disability Payments	84	0	0	0	3	0	87
- Asbestos recovery prior claims	170	0	0	0	0	0	170
- Asbestos payment of current claims	195	0	256	0	15	0	466
- Premiums	157	0	0	0	5	0	162
Capitalized & Recovered Workers Comp	(416)	0	219	0	(11)	0	(208)
Total Insurance Expense	<u>9,029</u>	<u>(592)</u>	<u>(191)</u>	<u>0</u>	<u>995</u>	<u>(60)</u>	<u>9,181</u>

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 Research & Development, MHP, and Low Income Program
 (\$000s)

		TWELVE MONTHS ENDED						
<u>O&R Electric Expense</u>	<u>Account</u>	<u>Per Books</u> <u>03/31/10</u>	<u>Normalizing</u> <u>Adjustments</u>	<u>Program</u> <u>Changes</u>	<u>Labor</u> <u>Escalation</u>	<u>General</u> <u>Escalation</u>	<u>Other</u> <u>Escalation</u>	<u>06/30/12</u>
Research and Development Current Spending NYSERDA Assessments	930000	302	0	0	0	10	0	312
Research and Development Current Spending Internal Programs	930000	615	0	0	0	20	0	635
Research and Development Deferrals (188100) True-up of Spending vs. Rate Allowance		(140)	140	0	0	0	0	0
Research and Development Current Spending (Three Year Amortization of Deferred Balance)	930000	113	0	359	0	0	0	472
Mandatory Hourly Pricing (Roll in from ECA)								
Transfer of full time position into base rates		0	78	0	4	0	0	82
Transfer of Itron maintenance into base rates		0	6	0	0	0	0	6
Transfer of license fees - real time modeling system		0	6	0	0	0	0	6
Low Income		304	0	276	0	0	0	580
Low Income (Three Year Amortization of Deferred Balance)		0	0	155	0	0	0	155
Total		<u>1,194</u>	<u>230</u>	<u>790</u>	<u>4</u>	<u>31</u>	<u>0</u>	<u>2,249</u>

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 Pension and OPEBS
 (000s)

TWELVE MONTHS ENDED

<u>ITEM</u>	<u>Per Books 03/31/10</u>	<u>Normalizing Adjustments</u>	<u>Program Changes</u>	<u>Labor Escalation</u>	<u>General Escalation</u>	<u>Other Escalation</u>	<u>06/30/12</u>
FAS 87 Pension Costs - Qualified Plan	20,556	0	4,836	0	0	(254)	25,138
Pension Charges - CECONY	1,583	0	373	0	0	(20)	1,936
Capitalized / Recovered Costs	(6,385)	0	(1,504)	0	0	79	(7,810)
Subtotal	15,754	0	3,704	0	0	(195)	19,264
Pension Deferral - current / prior case amort.	(5,100)	0	6,532	0	0	0	1,432
Amort. Of Deferred Pension Costs	-	0	7,528	0	0	0	7,528
Net Qualified Pension Costs	10,654	0	17,764	0	0	(195)	28,224
Supplemental Pension Expense	1,401	0	19	0	0	0	1,420
Deferral/Amortization Supplemental Pensions	1,320	0	(1,320)	0	0	0	0
Earnings/Loss Supplemental Pensions Assets	(1,391)	0	1,391	0	0	0	0
TOLI Expenses	327	0	11	0	0	0	338
401K Contributions	948	762	0	90	0	0	1,800
Total Pension Expense	13,259	762	17,865	90	0	(195)	31,781
FAS 106 OPEB Costs	9,687	0	(67)	0	0	(96)	9,524
Pay-As-You-Go	(1,515)	0	11	0	0	15	(1,489)
Prescription Drug Payments	512	0	(4)	0	0	(5)	503
Capitalized / Recovered Costs	(3,133)	0	22	0	0	31	(3,080)
Subtotal	5,551	0	(38)	0	0	(55)	5,458
OPEB Deferral	2,975	0	(518)	0	0	0	2,457
Amort. Of Transitional Obligation	1,817	0	0	0	0	0	1,817
Amort. Of Deferred OPEB Costs (3 Yrs)	-	0	2,059	0	0	0	2,059
Net Qualified Pension Costs	10,343	0	1,504	0	0	(55)	11,791
Medicare Part D Tax Benefit - Deferral	(176)	13	163	0	0	0	0
- Amortization	(1,583)	0	1,743	0	0	0	160
Total OPEB Expense	8,584	13	3,410	0	0	(55)	11,951
Total	21,843	775	21,274	90	0	(250)	43,733

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 Uncollectible Costs
 (\$000s)

TWELVE MONTHS ENDED

	<u>Per Books</u> <u>03/31/10</u>	<u>Normalizing</u> <u>Adjustments</u>	<u>Program</u> <u>Changes</u>	<u>Rate Year</u> <u>As Adjusted</u>	<u>Labor</u> <u>Escalation</u>	<u>General</u> <u>Escalation</u>	<u>Other</u> <u>Escalation</u>	<u>06/30/12</u>
Customer Uncollectibles	3,186	0	(1,090)	2,096	0	0	140	2,236
Sundry Uncollectibles	45	0	240	285	0	0	0	285
Uncollectible Account Expense	<u>3,231</u>	<u>0</u>	<u>(850)</u>	<u>2,381</u>	<u>0</u>	<u>0</u>	<u>140</u>	<u>2,521</u>
Net Uncollectible Write-Offs (1 Year Total)	2,336							
Sales to Customers (1 Year Total)	478,607							
Percent	0.49%							

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 MGP Sites & Other Environmental Costs
 (\$000s)

ITEM	TWELVE MONTHS ENDED						06/30/12
	Per Books 03/31/10	Normalizing Adjustments	Program Changes	Labor Escalation	General Escalation	Other Escalation	
Amortization of Site Investigation and Remediation Costs:							
MGP Sites - Recovery of Deferrals RY1 (O7-E-0949) (Three Year Amortization)	4,047	0	0	0	0	0	4,047
MGP Sites - Recovery of Deferrals RY2 (O7-E-0949) (Three Year Amortization)	1,073	0	0	0	0	0	1,073
MGP Sites - Adjustment to current recovery allowance (Three Year Amortization)	0	0	(1,350)	0	0	0	(1,350)
West Nyack - Recovery of Deferrals (O7-E-0949) (Three Year Amortization)	64	0	(1)	0	0	0	63
Cottman, Newark Bay, & Bourne - Recovery of Deferrals (O7-E-0949) (Three Year Amortization)	0	0	189	0	0	0	189
Total	<u>5,184</u>	<u>0</u>	<u>(1,162)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,022</u>

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 Tree Trimming / Other T&D O&M
 (\$000s)

TWELVE MONTHS ENDED

<u>ITEM</u>	<u>Per Books 03/31/10</u>	<u>Normalizing Adjustments</u>	<u>Program Changes</u>	<u>Labor Escalation</u>	<u>General Escalation</u>	<u>Other Escalation</u>	<u>06/30/12</u>
Tree Trimming and Other T&D O&M Expenses							
Contractor Tree Trimming	7,078	0	500	0	251	0	7,829
Stray Voltage Program - Current Spending	1,813	0	3,415	0	173	0	5,401
NY Defective Poles / Lighting	353	0	0	0	12	0	365
Distribution SCADA Maintenance & Support	0	0	162	0	5	0	167
Ovhd / Undg Transmission Line Maintenance	154	0	150	0	10	0	314
Other T&D O&M	7,303	0	100	0	245	0	7,648
Adjustment for Prevailing Wages Contractor expense (Pending Legislation)	0	0	1,700	0	56	0	1,756
Storm Reserve (182373) (Three Year Amortization of Deferred Balance)	2,200	0	1,136	0	0	0	3,336
Storm Reserve - Case 07-E-0949 deadband write-off	500	(500)	0	0	0	0	0
Storm Reserve - Current Spending (Based on Three Year Average)	0	0	5,051	0	167	0	5,218
Total	<u>19,401</u>	<u>(500)</u>	<u>12,214</u>	<u>0</u>	<u>919</u>	<u>0</u>	<u>32,034</u>

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 Regulatory Commission Expense
 (\$000s)

TWELVE MONTHS ENDED							
<u>O&R Electric Expense</u>	<u>Per Books 3/31/2010</u>	<u>Normalizing Adjustments</u>	<u>Program Changes</u>	<u>Labor Escalation</u>	<u>General Escalation</u>	<u>Other Escalation</u>	<u>6/30/2012</u>
Reg Comm Expense	1,274	(32)	0	0	41	0	1,283
Reg Comm Exp - 18a Assessment	8,011	(8,011)	0	0	0	0	0
Amortization of Rate Case Costs	0	0	50	0	0	0	50
Total	<u>9,285</u>	<u>(8,043)</u>	<u>50</u>	<u>0</u>	<u>41</u>	<u>0</u>	<u>1,333</u>

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 Customer Programs (SBC & Renewable Portfolio Standard)

TWELVE MONTHS ENDED

<u>O&R Electric Expense</u>	<u>Per Books 3/31/2010</u>	<u>Normalizing Adjustments</u>	<u>Program Changes</u>	<u>Labor Escalation</u>	<u>General Escalation</u>	<u>Other Escalation</u>	<u>6/30/2012</u>
SBC	13,024	0	(2,451)	0	0	0	10,573
Renewable Portfolio Standard	3,619	0	(681)	0	0	0	2,938
Total	<u>16,643</u>	<u>0</u>	<u>(3,132)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,511</u>

ORANGE AND ROCKLAND UTILITIES, INC.
 Electric Operating Expenses
 Other O&M Costs
 (\$000s)

TWELVE MONTHS ENDED

<u>ITEM</u>	<u>Per Books 03/31/10</u>	<u>Normalizing Adjustments</u>	<u>Program Changes</u>	<u>Labor Escalation</u>	<u>General Escalation</u>	<u>Other Escalation</u>	<u>06/30/12</u>
Advertising	32	0	0	0	1	0	33
Building Services	294	0	0	0	10	0	304
Information Technology Solutions	3,666	0	0	0	121	0	3,787
Legal & Other Professional Services	627	0	322	0	31	0	980
Rents	1,088	0	0	0	36	0	1,124
M&S Issues	635	0	0	0	21	0	656
<u>M&S Overhead (Stores, Small tools, & Minor items)</u>	<u>689</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>23</u>	<u>0</u>	<u>712</u>
Materials and Supplies	1,324	0	0	0	44	0	1,368
Corporate & Fiscal	1,117	0	0	0	37	0	1,154
Reproduction	0	0	0	0	0	0	0
Telephones	51	0	0	0	2	0	53
Transportation	454	0	60	0	17	0	531
Other Expense - Customer & Admin.	<u>5,078</u>	<u>(1,099)</u>	<u>150</u>	<u>0</u>	<u>137</u>	<u>0</u>	<u>4,266</u>
Total	<u>13,731</u>	<u>(1,099)</u>	<u>532</u>	<u>0</u>	<u>436</u>	<u>0</u>	<u>13,599</u>

ORANGE AND ROCKLAND UTILITIES, INC.

INDEX OF SCHEDULES

MULTI-YEAR FORECAST

<u>SCHEDULE</u>	<u>TITLE OF SCHEDULE</u>	<u>WITNESS</u>
Summary	Summary of Multi-Year Rate Plan	R. A. Kane
1	Electric Income Statement	"
2	Capital Structure and Earned Returns	"
3	Sales Delivery and Net Revenue Margins	"
4	Other Operating Revenues	"
5	O&M Expenses	"
6	Depreciation Calculation - Electric	"
7	Taxes Other than Income Taxes - Electric	"
8	State Income Tax Expense - Electric	"
9	Federal Income Tax Expense - Electric	"
10	Rate Base	"
11	Interest Synchronization	"

Orange & Rockland Utilities, Inc.
Three-Year Electric Revenue Requirement
(\$ millions)

	Exhibit / Schedule	Twelve Months Ending June 30,		
		2012	2013	2014
Base Rate Increase - RY1	E-4, Sch 2	\$ 64.4		
Stay Out Premium		2.8		
Base Rate Increase with Stay Out Premium	E-7, Sch 1	\$ 67.2		
<u>Operating Revenues</u>				
Net Operating Revenues			\$ 0.7	\$ (1.0)
Other Operating Revenues			0.0	0.0
Net Revenues			\$ 0.7	\$ (1.0)
<u>Operating Expenses</u>				
Operation & Maintenance Expense (excl. fuel)				
- Labor & General Escalations			3.5	2.4
- Pension and OPEBs			(1.6)	(3.2)
- Uncollectibles			0.1	-
Depreciation & Amortization			2.4	1.1
Taxes Other - excl. revenue taxes			2.4	1.7
- revenue taxes			0.2	0.2
Federal Income Taxes & Other Variations			4.3	1.8
Pre Tax Return on Rate Base (Net of Interest Tax Deduction)			7.4	5.9
Subtotal			18.7	9.9
Net Rate Change		\$ 67.2	\$ 18.0	\$ 10.9
Multi Year Rate Increase (RY1 -- RY3)		\$ 48.6	\$ 34.7	\$ 34.7

Orange & Rockland Utilities, Inc.
Electric Department
Operating Income, Rate Base & Rate of Return
(\$000's)

Twelve Months Ending June 30, 2013

	2012 As Reflected in Exhibit E-4 and E-5	Sched.	Adjustments	2013	Changes	Adjusted
Operating Revenues						
Sales & Deliveries to Public	\$525,278	[3]	\$2,095	\$527,373	\$17,995	\$545,368
Sales For Resale	27,292	[3]	1,018	28,310	-	28,310
Other Operating Revenues	19,900	[4]	45	19,945	-	19,945
Total Operating Revenues	<u>572,470</u>		<u>3,157</u>	<u>575,628</u>	<u>17,995</u>	<u>593,623</u>
Operating Revenue Deductions						
Purchased Power Costs	245,567		5,118	250,685	-	250,685
Deferred Purchased Power	(71)		73	3	-	3
Other Operations & Maintenance (excl. Pensions)	128,660	[5]	(273)	128,387	88	128,475
Pension / OPEBs	43,733	[5]	(1,570)	42,164	-	42,164
MGP	4,022	[5]	3,349	7,371	-	7,371
Depreciation	31,993	[6]	2,384	34,377	-	34,377
Taxes Other Than Income Taxes	36,284	[7]	2,400	38,684	184	38,868
Total Operating Revenue Deductions	<u>490,189</u>		<u>11,482</u>	<u>501,671</u>	<u>272</u>	<u>501,943</u>
Operating Income Before Income Taxes	<u>82,281</u>		<u>(8,324)</u>	<u>73,957</u>	<u>17,723</u>	<u>91,680</u>
Income Taxes						
New York State Income Taxes	4,626	[8]	(698)	3,928	1,258	5,186
Federal Income Tax	17,938	[9]	(6,621)	11,317	5,763	17,080
Deferred Federal Income Taxes	3,918	[9]	3,629	7,547	-	7,547
Amortization of Deferred Taxes	(1,206)	[9]	-	(1,206)	-	(1,206)
Total Income Taxes	<u>25,276</u>		<u>(3,690)</u>	<u>21,586</u>	<u>7,021</u>	<u>28,607</u>
Operating Income After Income Taxes	<u>\$57,005</u>		<u>(\$4,634)</u>	<u>\$52,371</u>	<u>\$10,702</u>	<u>\$63,073</u>
Rate Base	685,924		62,141	748,065	-	748,065
EB-Cap Adjustment to Rate Base	(13,695)		-	(13,695)	-	(13,695)
Total Rate Base	<u>\$672,230</u>	[10]	<u>\$62,141</u>	<u>\$734,371</u>	-	<u>\$734,371</u>
Overall Rate of Return	<u>8.48%</u>			<u>7.13%</u>		<u>8.59%</u>
Return on Equity	<u>11.55%</u>			<u>8.69%</u>		<u>11.55%</u>

TWELVE MONTHS ENDING JUNE 30, 2014

	2013	Sched.	Adjustments	2014	Changes	Adjusted
Operating Revenues						
Sales Revenues	\$545,368	[3]	\$8,985	\$554,354	\$10,856	\$565,209
Sales For Resale	28,310	[3]	1,510	29,820	-	29,820
Other Operating Revenues	19,945	[4]	48	19,993	-	19,993
Total Operating Revenues	<u>593,623</u>		<u>10,543</u>	<u>604,166</u>	<u>10,856</u>	<u>615,022</u>
Operating Revenue Deductions						
Purchased Power Costs	250,685		8,529	259,214	-	259,214
Deferred Purchased Power	3		2	4	-	4
Other Operations & Maintenance (excl. Pensions)	128,475	[5]	3,904	132,379	53	132,432
Pension / OPEBs	42,164	[5]	(3,158)	39,006	-	39,006
MGP	7,371	[5]	821	8,192	-	8,192
Depreciation	34,377	[6]	1,092	35,469	-	35,469
Taxes Other Than Income Taxes	38,868	[7]	1,756	40,624	111	40,735
Total Operating Revenue Deductions	<u>501,943</u>		<u>12,945</u>	<u>514,888</u>	<u>164</u>	<u>515,052</u>
Operating Income Before Income Taxes	<u>91,680</u>		<u>(2,402)</u>	<u>89,278</u>	<u>10,692</u>	<u>99,970</u>
Income Taxes						
New York State Income Taxes	5,186	[8]	(426)	4,760	759	5,519
Federal Income Tax	17,080	[9]	(982)	16,098	3,476	19,574
Deferred Federal Income Taxes	7,547		(1,284)	6,263	-	6,263
Amortization of Deferred Taxes	(1,206)		-	(1,206)	-	(1,206)
Total Income Taxes	<u>28,607</u>		<u>(2,692)</u>	<u>25,915</u>	<u>4,235</u>	<u>30,150</u>
Operating Income After Income Taxes	<u>\$63,073</u>		<u>\$290</u>	<u>\$63,363</u>	<u>\$6,457</u>	<u>\$69,820</u>
Rate Base	748,065		49,384	797,450	-	797,450
EB-Cap Adjustment to Rate Base	(13,695)		-	(13,695)	-	(13,695)
Total Rate Base	<u>\$734,371</u>	[10]	<u>\$49,384</u>	<u>\$783,755</u>	-	<u>\$783,755</u>
Overall Rate of Return	<u>8.59%</u>			<u>8.08%</u>		<u>8.91%</u>
Return on Equity	<u>11.55%</u>			<u>9.94%</u>		<u>11.55%</u>

Orange & Rockland Utilities, Inc.
 Electric Department
 Revenue Calculation
 (\$000's)

	Twelve Months Ending June 30,		
	2012	2013	2014
Rate Base (Exhibit E-2, Summary)	\$672,230	\$734,371	\$783,755
Rate of Return (Exhibit-7, Schedule 1) ¹	8.48%	8.60%	8.91%
Required Return	56,979	63,129	69,853
Income Available (Exhibit E-7, Schedule 1)	20,897	52,371	63,363
Deficiency	36,080	10,758	6,489
Retention Factor	59.78%	59.78%	59.78%
Additional Revenue Requirement	<u>\$60,356</u>	<u>\$17,995</u>	<u>\$10,856</u>

(1) Rate of Return reflects a 11.55% ROE for multi-year stay out provision.

	<u>Proof</u>			
Revenues	100.00%	\$60,356	\$17,995	\$10,856
Less:				
Revenue Taxes	1.02%	616	184	111
Late Payment Charges	-0.51%	(308)	(92)	(55)
Uncollectibles	0.49%	296	88	53
Subtotal	99.00%	59,752	17,815	10,747
New York State Income Tax @ 7.1%	7.03%	4,242	1,265	763
Federal Income Tax @ 35%	91.97%	55,510	16,550	9,984
	32.19%	19,429	5,793	3,494
Retention Factor	<u>59.78%</u>	<u>\$36,082</u>	<u>\$10,757</u>	<u>\$6,490</u>

Orange & Rockland Utilities, Inc.
 Electric Rate Case 2010
 (\$'s millions)

Levelized Rate Increase

2010 Other Customer Provided Capital Rate = 4.2%

Rate Increase	Twelve Months Ending			Cumulative Total
	June 30, 2011	June 30, 2012	June 30, 2013	
R.Y. - 1	\$ 67.2	\$ 67.2	\$ 67.2	\$ 201.7
R.Y. - 2		18.0	18.0	36.0
R.Y. - 3			10.9	10.9
Total	<u>67.2</u>	<u>85.2</u>	<u>96.1</u>	<u>248.8</u>
Annual rate increase w/o interest				
R.Y. - 1	48.4	48.4	48.4	145.2
R.Y. - 2		34.5	34.5	69.0
R.Y. - 3			34.5	34.5
Total	<u>48.4</u>	<u>82.9</u>	<u>117.4</u>	<u>248.7</u>
Interest	<u>0.2</u>	<u>0.5</u>	<u>0.3</u>	<u>1.0</u>
Annual rate increase w/ interest				
R.Y. - 1	\$ 48.6	\$ 48.6	\$ 48.6	\$ 145.7
R.Y. - 2		\$ 34.7	\$ 34.7	69.3
R.Y. - 3			\$ 34.7	34.7
Total	<u>\$ 48.6</u>	<u>\$ 83.2</u>	<u>\$ 117.9</u>	<u>\$ 249.7</u>

ORANGE & ROCKLAND UTILITIES, INC.
 RATE OF RETURN EARNED FOR THE
 TWELVE MONTHS ENDING JUNE 30, 2013

<u>2013</u>	<u>CAPITAL</u>	<u>RATIO</u>	<u>WEIGHTED COST RATES</u>	<u>RATE OF RETURN</u>
LONG-TERM DEBT	\$ 613,746,900	47.76%	5.57%	2.66%
CUSTOMER DEPOSITS	13,051,000	1.02%	2.16%	0.02%
SUB TOTAL	<u>626,797,900</u>	<u>48.78%</u>		<u>2.68%</u>
COMMON EQUITY	<u>658,232,800</u>	<u>51.22%</u>	11.55%	<u>5.92%</u>
TOTAL CAPITALIZATION	<u>\$ 1,285,030,700</u>	<u>100.00%</u>		<u>8.60%</u>

TWELVE MONTHS ENDING JUNE 30, 2014

<u>2014</u>	<u>CAPITAL</u>	<u>RATIO</u>	<u>WEIGHTED COST RATES</u>	<u>RATE OF RETURN</u>
LONG-TERM DEBT	\$ 661,694,100	47.53%	6.18%	2.94%
CUSTOMER DEPOSITS	13,051,000	0.94%	2.16%	0.02%
SUB TOTAL	<u>674,745,100</u>	<u>48.46%</u>		<u>2.96%</u>
COMMON EQUITY	<u>717,550,100</u>	<u>51.54%</u>	11.55%	<u>5.95%</u>
TOTAL CAPITALIZATION	<u>\$ 1,392,295,200</u>	<u>100.00%</u>		<u>8.91%</u>

ORANGE AND ROCKLAND UTILITIES, INC.
 SALES, DELIVERIES AND NET REVENUE MARGINS
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2012, 2013 & 2014
 (\$000s)

	2012	2013	2014
<u>Delivery Revenue</u>			
Residential	\$ 118,536	\$ 118,797	\$ 120,147
Secondary	47,658	47,134	46,529
Primary	30,252	29,594	28,961
Lighting	5,753	5,802	5,843
Public Authority	2,173	2,190	2,259
Unbilled	(2,011)	437	(11)
Total	<u>202,361</u>	<u>203,954</u>	<u>203,728</u>
<u>Competitive Service Rates</u>			
Residential	5,572	5,591	5,606
Secondary	4,079	4,117	4,168
Primary	824	824	824
Lighting	53	53	53
Public Authority	-	-	-
Unbilled	1,435	1,435	1,435
Total	<u>11,963</u>	<u>12,020</u>	<u>12,086</u>
<u>Market Supply Charge</u>			
Residential	121,921	126,046	132,590
Secondary	47,229	47,656	48,941
Primary	49,495	46,945	46,778
Lighting	1,565	1,631	1,731
Public Authority	6,487	6,839	6,573
Unbilled	(1,125)	687	735
Total	<u>225,572</u>	<u>229,804</u>	<u>237,348</u>
<u>Energy Cost Adjustment</u>			
Residential	-	-	-
Secondary	-	-	-
Primary	-	-	-
Lighting	-	-	-
Public Authority	-	-	-
Unbilled	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>
<u>SBC Revenue</u>			
Residential	5,711	4,084	4,776
Secondary	3,012	2,185	2,531
Primary	4,331	3,068	3,502
Lighting	128	101	115
Public Authority	329	245	287
Unbilled	-	-	-
Total	<u>13,511</u>	<u>9,683</u>	<u>11,211</u>
<u>Tax Recovery Revenue</u>			
Residential	3,868	3,883	3,954
Secondary	402	399	402
Primary	330	315	314
Lighting	24	24	24
Public Authority	37	40	37
Unbilled	(36)	5	8
Total	<u>4,625</u>	<u>4,666</u>	<u>4,739</u>
<u>Rate Relief</u>			
RY 1 Rate Relief (excl. rev. taxes)	63,750	63,750	63,750
RY 1 Revenue Taxes	686	686	686
RY 1 Rate Relief (excl. rev. taxes)	2,781	2,781	2,781
RY 1 Revenue Taxes	29	29	29
RY 2 Rate Relief (excl. rev. taxes)	-	-	17,811
RY 2 Revenue Taxes	-	-	184
Total	<u>67,246</u>	<u>67,246</u>	<u>85,241</u>
<u>Sales and Deliveries To Public</u>	<u>525,278</u>	<u>527,373</u>	<u>554,354</u>
<u>Intercompany Fuel & PSA Bill</u>			
Intercompany Fuel & PSA Bill - Fixed Charges	9,420	9,488	10,081
Intercompany Fuel & PSA Bill - Energy	17,873	18,822	19,739
Total	<u>27,292</u>	<u>28,310</u>	<u>29,820</u>
Total Revenue (excluding Surcharge)	\$ 552,570	\$ 555,683	\$ 584,174
<u>Current Power Costs</u>			
MSC/ ECA Costs	225,674	229,804	237,348
Company Use Costs	1,265	1,304	1,372
Purchased Power Costs - Resales	17,873	18,822	19,739
Load Dispatching Costs (Base Rates)	755	755	755
Total	<u>245,567</u>	<u>250,685</u>	<u>259,214</u>
<u>Deferred Power Costs</u>			
MSC/ ECA Deferred Cost	(71)	3	4
Total	<u>(71)</u>	<u>3</u>	<u>4</u>
Total Purchased Power Expense	245,496	250,687	259,219
Total Net Revenue	\$ 202,361	\$ 203,954	\$ 203,728
Mwh Sales Excl Company Use	3,863,115	3,847,740	3,836,326
Avg Margin per Mwh	\$ 0.05238	\$ 0.05301	\$ 0.05310
Sales for Resale	27,292	28,310	29,820
Less: Purchased Power Costs - Resales	(17,873)	(18,822)	(19,739)
Power Supply Fixed Charges	(9,420)	(9,488)	(10,081)
	<u>-</u>	<u>-</u>	<u>-</u>

Orange & Rockland Utilities, Inc.
 Other Operating Revenues - Electric
 (000's)

Line No.	Item	12 Months Ending June 30, 2012 As Reflected in Exhibit E-4 and E-5	Subject to Inflation @ 1.95%	Rate Year 2 Adjustments	Escalation for 12 Months Ending June 30, 2013	Rate Year 2 As Adjusted	Subject to Inflation @ 2.05%	Escalation for 12 Months Ending June 30, 2014	Rate Year 3 As Adjusted
MISCELLANEOUS SERVICE & OTHER REVENUES									
1	Late Payment Charges (A/C 456301), (A/C 456330)	\$ 2,772	N	-	\$ -	\$ 2,772	N	\$ -	\$ 2,772
2	Late Payment Charges - Sundry (A/C 456325)	5	N	-	-	5	N	-	5
3	3rd Party Wheeling (A/C 456800) (M.S.C.)	-	N	-	-	-	N	-	-
4	O&R Billing Services (A/C 451380), (A/C 456015)	352	N	-	-	352	N	-	352
5	Customer Reconnect Fees (A/C 451102)	157	N	-	-	157	N	-	157
6	Collection Charges (A/C 451106)	96	N	-	-	96	N	-	96
7	Bad Check Charge (A/C 456401)	40	N	-	-	40	N	-	40
8	Forfeited Customer Advances (A/C 456501)	90	N	-	-	90	N	-	90
9	Carrying Charge (A/C 456601)	58	N	-	-	58	N	-	58
10	Agency Checks Dishonored (A/C 456920)	(2)	N	-	-	(2)	N	-	(2)
11	Other	9	N	-	-	9	N	-	9
RENTS									
12	Pole Attachments (A/C 454003)	1,437	Y	-	28	1,465	Y	30	1,495
13	Other Electric Property (A/C 454004)	858	Y	-	17	875	Y	18	893
14	Transformers (A/C 454050)	1	Y	-	-	1	Y	-	1
15	Intercompany Billing - Joint Use Rents (A/C 454001), (A/C 454002)	2,922	N	-	-	2,922	N	-	2,922
REVENUE SUBJECT TO REFUND									
16	Por Discount - Credit And Collections (A/C 456061)	839	N	-	-	839	N	-	839
17	Por Discount - Uncollectibles (A/C 456062)	402	N	-	-	402	N	-	402
REGULATORY ITEMS - Recoveries / Refunds									
18	Interest on Pollution Control Debt	-	N	-	-	-	N	-	-
19	Interest on 263A	-	N	-	-	-	N	-	-
20	Property Tax Refunds - Haverstraw (86%)	(101)	N	-	-	(101)	N	-	(101)
21	Smart Grid Stimulus Project	(19)	N	-	-	(19)	N	-	(19)
22	CATV Order Deferred Billing (A/C 456451)	115	N	-	-	115	N	-	115
23	Net Plant Reconciliation (A/C 456064)	9,245	N	-	-	9,245	N	-	9,245
24	Performance Penalties - CAIDI	468	N	-	-	468	N	-	468
25	Oil Supplier Refunds (70%)	55	N	-	-	55	N	-	55
26	Deferred SIT - NYS Rate Change 7.5% - 7.1%	-	N	-	-	-	N	-	-
27	Current SIT - NYS Rate Change 7.5% - 7.1%	101	N	-	-	101	N	-	101
28	Total Other Operating Revenues	<u>\$ 19,900</u>		<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 19,945</u>		<u>\$ 48</u>	<u>\$ 19,993</u>

ORANGE & ROCKLAND UTILITIES, INC.
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (excl. Purchased Power Costs)
FOR THE YEARS ENDING JUNE 30, 2013 AND JUNE 30, 2014
(\$000s)

LINE NO.	12 Months Ending June 30, 2012	Payroll Escl. @ 2.61%	Subject to Inflation @ 1.95%	Escalation for		12 Months Ending June 30, 2013	Payroll Escl. @ 2.26%	Subject to Inflation @ 2.05%	Escalation for		12 Months Ending June 30, 2014	
				12 Months Ending June 30, 2013	Rate Year 2 Adjustments				12 Months Ending June 30, 2014	Rate Year 3 Adjustments		
1	Direct Labor (Excl. Shared Services)	44,046	Y	N	1,149	-	45,195	Y	N	1,022	-	46,217
2	Shared Services	9,857	N	Y	192	-	10,049	N	Y	206	-	10,255
3	Employee and Other Insurance Costs	9,181	N	Y	179	-	9,360	N	Y	192	-	9,552
4	Regulatory Costs and Amortizations:											
	- R & D Current Spending NYSEDA	312	N	Y	6	-	318	N	Y	7	-	325
	- R & D Current Spending Internal Programs	635	N	Y	12	-	648	N	Y	13	-	661
	- R & D Amort of 3 yr. Bal	472	N	N	-	-	472	N	N	-	-	472
	- Mandatory Hourly Pricing	95	N	Y	2	-	97	N	Y	2	-	99
	- Low Income	735	N	N	-	-	735	N	N	-	-	735
5	Uncollectible Accounts	2,852	N	N	-	10	2,863	N	N	-	-	2,863
6	Tree Trimming / Other T&D O&M	23,130	N	Y	451	-	23,581	N	Y	483	-	24,065
	Storm Reserve	3,336	N	N	-	-	3,336	N	N	-	-	3,336
	Stray Voltage Adj.	5,401	N	Y	105	990	6,497	N	Y	133	(2,116)	4,514
	Scada Maintenance and Support	167	N	N	-	(76)	91	N	N	-	-	91
7	Regulatory Commission Expenses	1,333	N	Y	26	-	1,359	N	Y	28	-	1,387
8	Customer Programs											
	- SBC	10,573	N	N	-	(3,828)	6,745	N	N	1,528	-	8,273
	- Renewable Portfolio Standard	2,938	N	N	-	-	2,938	N	N	-	-	2,938
9	Other O&M Costs											
	- Advertizing	33	N	Y	1	-	34	N	Y	1	-	34
	- Building Services	304	N	Y	6	-	310	N	Y	6	-	316
	- Information Technology Solutions	3,787	N	Y	74	-	3,861	N	Y	79	-	3,940
	- Legal & Other Professional Services	980	N	Y	19	-	999	N	Y	20	-	1,020
	- Rents	1,124	N	Y	22	-	1,146	N	Y	23	-	1,169
	- Materials and Supplies	1,368	N	Y	27	-	1,395	N	Y	29	-	1,423
	- Corporate Fiscal	1,154	N	Y	23	242	1,419	N	Y	29	-	1,448
	- Telephone	52	N	Y	1	-	53	N	Y	1	135	189
	- Transportation	531	N	Y	10	-	541	N	Y	11	-	552
	- Other O&M	4,266	N	Y	83	-	4,349	N	Y	89	-	4,438
	Total O&M Expenses*	\$ 128,660			\$ 2,389	\$ (2,662)	\$ 128,389			\$ 3,904	\$ (1,981)	\$ 130,312

*Exc. Purchased Power, Pensions/OPEBs, MGP

ORANGE & ROCKLAND UTILITIES, INC.
ELECTRIC PENSION / OPEBs EXPENSE
 FOR THE YEARS ENDING JUNE 30, 2013 AND JUNE 30, 2014
 (\$000s)

<u>Electric Expense</u>	12 Months Ending June 30, 2012	Program Changes	12 Months Ending June 30, 2013
FAS 87 Pension Costs - Qualified Plan	\$ 27,347	\$ (780)	\$ 26,567
Capitalized / Recovered Costs	(7,889)	225	(7,664)
Subtotal	19,458	(555)	18,903
Amort. Of Deferred Pension Costs	8,960	-	8,960
Net Qualified Pension Costs	28,417	(555)	27,863
Supplemental Pension Expense	1,420	(22)	1,398
TOLI Expenses	338	7	344
401K Contributions	1,799	47	1,846
Total Pension Expense	31,974	(523)	31,452
FAS 106 OPEB Costs	9,620	(671)	8,949
Pay-As-You-Go	(996)	69	(926)
Capitalized / Recovered Costs	(3,111)	217	(2,894)
Subtotal	5,513	(385)	5,129
Amort. Of Transitional Obligation	6,333	(909)	5,425
Amort. Of Deferred OPEB Costs	163	(3)	160
Net Qualified Pension Costs	12,010	(1,296)	10,713
Medicare Part D Tax Benefit - Deferral	-	-	-
Productivity Adjustments	(250)	250	-
Total OPEB Expense	11,760	(1,046)	10,713
Total	\$ 43,733	\$ (1,570)	\$ 42,166

<u>Electric Expense</u>	12 Months Ending June 30, 2013	Program Changes	12 Months Ending June 30, 2014
FAS 87 Pension Costs - Qualified Plan	\$ 26,567	(2,628)	\$ 23,939
Capitalized / Recovered Costs	(7,664)	758	(6,905)
Subtotal	18,903	(1,870)	17,033
Amort. Of Deferred Pension Costs (5 Yrs)	8,960	-	8,960
Net Qualified Pension Costs	27,863	(1,870)	25,993
Supplemental Pension Expense	1,398	(27)	1,371
TOLI Expenses	344	7	351
401K Contributions	1,846	42	1,888
Total Pension Expense	31,452	(1,849)	29,603
FAS 106 OPEB Costs	8,949	(699)	8,250
Pay-As-You-Go	(926)	72	(854)
Capitalized / Recovered Costs	(2,894)	226	(2,668)
Subtotal	5,129	(401)	4,728
Amort. Of Transitional Obligation	5,425	(909)	4,516
Amort. Of Deferred OPEB Costs (5 Yrs)	160	-	160
Net Qualified Pension Costs	10,713	(1,309)	9,404
Medicare Part D Tax Benefit - Deferral	-	-	-
- Amortization	-	-	-
Total OPEB Expense	10,713	(1,309)	9,404
Total	\$ 42,165	\$ (3,158)	\$ 39,007

ORANGE & ROCKLAND UTILITIES, INC.
 MGP SITES & OTHER ENVIRONMENTAL COSTS (\$,000s)
 FOR THE YEARS ENDING JUNE 30, 2013 AND JUNE 30, 2014

LINE NO.	12 Months	Subject to Inflation @ <u>1.95%</u>	Escalation for 12 Months	Rate Year 2 Adjustments	12 Months	Subject to Inflation @ <u>2.05%</u>	Escalation for 12 Months	12 Months	
	Ending June 30, <u>2012</u>		Ending June 30, <u>2013</u>		Ending June 30, <u>2013</u>		Ending June 30, <u>2014</u>	Ending June 30, <u>2014</u>	
1	MGP Sites - Recovery of Deferrals	\$ 3,770	N	-	-	3,770	N	-	3,770
2	Amort MGP RY1 Spending	-	N	-	-	-	N	-	-
3	Amort MGP RY2 Spending	-	N	-	3,349	3,349	N	-	3,349
4	Amort MGP RY3 Spending	-	N	-	-	-	N	821	821
5	West Nyack - Recovery of Deferrals	<u>252</u>	N	-	-	<u>252</u>	N	-	<u>252</u>
	Total Environmental Expenses	<u>\$ 4,022</u>		<u>\$ -</u>	<u>\$ 3,349</u>	<u>\$ 7,371</u>		<u>\$ 821</u>	<u>\$ 8,192</u>

Electric Plant Depreciation Expense @ 100%:

Unallocated	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)
Distribution	1,696.8	1,701.3	1,706.0	1,712.4	1,716.2	1,724.2	1,790.3	1,793.0	1,796.5	1,800.4	1,804.6	1,808.2
Transmission	418.8	419.4	420.6	420.8	421.1	421.1	422.1	462.9	463.0	463.4	464.0	464.4
Information System	23.4	26.5	26.9	27.3	27.7	28.1	28.5	28.5	28.5	28.5	28.5	28.5
Intangible Plant	116.6	116.6	116.6	116.6	116.6	116.6	116.6	116.6	116.6	116.6	116.6	99.2
Office Buildings	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.6	11.6	11.6	11.6
Office Furniture	43.3	43.3	43.2	43.2	43.2	43.2	43.1	43.1	43.1	43.0	43.0	43.0
Automobiles	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	3.2	3.2
Light Trucks	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Heavy Trucks	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6
General Equipment	25.2	26.1	27.1	28.4	29.5	30.5	31.5	32.0	32.8	33.6	34.7	36.9
Data Handling Equipment	39.8	39.6	39.5	39.4	39.3	39.2	39.0	38.9	38.8	38.7	38.6	38.4
Total	2,353.9	2,362.9	2,370.0	2,378.1	2,383.4	2,392.7	2,501.2	2,505.1	2,509.2	2,514.1	2,522.0	2,510.6

Electric Plant Depreciation Expense Charged to Clearing Accounts @ 100%:

Information System	23.4	26.5	26.9	27.3	27.7	28.1	28.5	28.5	28.5	28.5	28.5	28.5
Automobiles	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	3.2	3.2
Light Trucks	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Heavy Trucks	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6
General Equipment	25.2	26.1	27.1	28.4	29.5	30.5	31.5	32.0	32.8	33.6	34.7	36.9
Total	161.4	165.4	166.8	168.5	170.0	171.4	172.8	173.4	174.1	174.9	178.1	180.3

Electric Plant Depreciation Expense Charged to Income Statement @ 100%:

Unallocated	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)	(134.5)
Distribution	1,696.8	1,701.3	1,706.0	1,712.4	1,716.2	1,724.2	1,790.3	1,793.0	1,796.5	1,800.4	1,804.6	1,808.2
Transmission	418.8	419.4	420.6	420.8	421.1	421.1	422.1	462.9	463.0	463.4	464.0	464.4
Information System	23.4	26.5	26.9	27.3	27.7	28.1	28.5	28.5	28.5	28.5	28.5	28.5
Intangible Plant	116.6	116.6	116.6	116.6	116.6	116.6	116.6	116.6	116.6	116.6	116.6	99.2
Office Buildings	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.6	11.6	11.6	11.6
Office Furniture	43.3	43.3	43.2	43.2	43.2	43.2	43.1	43.1	43.1	43.0	43.0	43.0
Automobiles	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	3.2	3.2
Light Trucks	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Heavy Trucks	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6
General Equipment	25.2	26.1	27.1	28.4	29.5	30.5	31.5	32.0	32.8	33.6	34.7	36.9
Data Handling Equipment	39.8	39.6	39.5	39.4	39.3	39.2	39.0	38.9	38.8	38.7	38.6	38.4
Total	2,353.9	2,362.9	2,370.0	2,378.1	2,383.4	2,392.7	2,501.2	2,505.1	2,509.2	2,514.1	2,522.0	2,424.0
Total Electric Depreciation On Income Statement	2,192.5	2,197.5	2,203.2	2,209.6	2,213.5	2,221.3	2,328.4	2,331.7	2,335.1	2,339.2	2,343.9	2,330.3

Common Plant @ 100%

Common Plant In Service Beginning Balance:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	11,455.5	11,900.1	12,061.3	12,153.3	12,068.3	11,935.7	12,054.8	12,279.1	12,213.1	24,515.4	24,535.9	24,533.2
Intangible Plant	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7
Office Buildings	52,693.6	52,721.4	52,681.8	52,912.5	53,002.7	52,963.1	52,913.1	52,847.5	52,797.6	52,758.0	52,718.3	52,934.3
Office Furniture	5,575.3	5,562.1	5,671.2	5,654.7	5,644.4	5,627.9	5,611.4	5,594.9	5,584.6	5,568.1	5,557.9	5,544.6
Automobiles	772.7	823.5	823.5	874.3	874.3	941.7	941.7	941.7	941.7	941.7	1,043.5	1,094.5
Light Trucks	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8
Heavy Trucks	4,584.0	4,736.8	4,940.3	5,449.2	5,652.7	5,805.4	6,339.6	6,339.6	6,339.6	6,339.6	6,339.6	6,645.4
General Equipment	1,817.6	1,886.5	1,917.4	2,025.8	2,137.7	2,158.4	2,240.0	2,240.0	2,240.0	2,285.4	2,336.4	2,364.8
Data Handling Equipment	18,163.3	18,142.4	18,121.5	18,100.6	18,079.7	18,058.8	18,037.9	18,017.0	17,996.1	17,975.2	17,954.3	17,933.4
Easements	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4
Total	156,364.0	157,074.6	157,518.9	158,472.3	158,761.8	158,792.8	159,440.5	159,561.8	159,414.7	171,685.4	171,787.9	172,352.0

Common Plant Additions:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	606.3	322.9	253.6	76.8	29.1	280.8	386.0	95.7	12,464.1	182.2	158.9	618.6
Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-
Office Buildings	103.8	36.4	306.8	166.2	36.4	26.1	10.4	26.1	36.4	36.4	291.9	36.4
Office Furniture	3.2	125.7	-	6.2	-	-	-	6.2	-	6.2	3.2	6.2
Automobiles	50.8	-	50.8	-	67.3	-	-	-	-	101.8	51.0	-
Light Trucks	-	-	-	-	-	-	-	-	-	-	-	-
Heavy Trucks	152.7	203.5	508.9	203.5	152.7	534.2	-	-	-	-	305.7	203.8
General Equipment	68.8	30.9	108.4	111.9	20.6	81.7	-	-	45.4	51.0	28.4	656.7
Data Handling Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Easements	-	-	-	-	-	-	-	-	-	-	-	-
Total	985.7	719.3	1,228.5	564.6	306.1	922.7	396.4	128.0	12,545.8	377.6	839.2	1,521.7

Common Plant Retirements:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7
Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-
Office Buildings	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0
Office Furniture	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5
Automobiles	-	-	-	-	-	-	-	-	-	-	-	-
Light Trucks	-	-	-	-	-	-	-	-	-	-	-	-
Heavy Trucks	-	-	-	-	-	-	-	-	-	-	-	-
General Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Data Handling Equipment	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9
Easements	-	-	-	-	-	-	-	-	-	-	-	-
Total	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1

Common Plant Ending Balance:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	11,900.1	12,061.3	12,153.3	12,068.3	11,935.7	12,054.8	12,279.1	12,213.1	24,515.4	24,535.9	24,533.2	24,990.1
Intangible Plant	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7
Office Buildings	52,721.4	52,681.8	52,912.5	53,002.7	52,963.1	52,913.1	52,847.5	52,797.6	52,758.0	52,718.3	52,934.3	52,894.6
Office Furniture	5,562.1	5,671.2	5,654.7	5,644.4	5,627.9	5,611.4	5,594.9	5,584.6	5,568.1	5,557.9	5,544.6	5,534.3
Automobiles	823.5	823.5	874.3	874.3	941.7	941.7	941.7	941.7	941.7	1,043.5	1,094.5	1,094.5
Light Trucks	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8
Heavy Trucks	4,736.8	4,940.3	5,449.2	5,652.7	5,805.4	6,339.6	6,339.6	6,339.6	6,339.6	6,339.6	6,645.4	6,849.2
General Equipment	1,886.5	1,917.4	2,025.8	2,137.7	2,158.4	2,240.0	2,240.0	2,240.0	2,285.4	2,336.4	2,364.8	3,021.5
Data Handling Equipment	18,142.4	18,121.5	18,100.6	18,079.7	18,058.8	18,037.9	18,017.0	17,996.1	17,975.2	17,954.3	17,933.4	17,912.5
Easements	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4
Total	157,074.6	157,518.9	158,472.3	158,761.8	158,792.8	159,440.5	159,561.8	159,414.7	171,685.4	171,787.9	172,352.0	173,596.6

Electric Plant Depreciation Expense @ 100%:

Unallocated	(134.5)	(134.5)	(134.5)	(134.5)	(133.0)	-	-	-	-	-	-	-
Distribution	1,866.5	1,871.6	1,876.7	1,881.0	1,884.9	1,893.3	1,936.3	1,939.0	1,942.6	1,946.6	1,950.9	1,954.6
Transmission	464.5	464.9	465.1	465.6	466.4	466.9	481.9	482.9	483.0	483.6	484.3	484.5
Information System	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5
Intangible Plant	99.2	99.6	99.6	99.6	99.6	99.6	99.6	99.6	99.6	99.6	99.6	99.6
Office Buildings	11.6	11.6	11.6	11.6	11.6	11.5	11.5	11.5	11.5	11.5	11.5	11.5
Office Furniture	43.0	42.9	42.9	42.9	42.8	42.8	42.8	42.7	42.7	42.7	42.7	42.6
Automobiles	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.4	3.4
Light Trucks	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Heavy Trucks	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6
General Equipment	38.6	39.5	40.5	41.8	43.0	44.0	45.0	45.6	46.4	47.2	48.3	50.6
Data Handling Equipment	38.3	38.2	38.1	37.9	37.8	37.7	37.6	37.5	37.3	37.2	37.1	37.0
Total	2,570.6	2,547.2	2,553.4	2,559.3	2,566.4	2,709.2	2,768.1	2,772.3	2,776.6	2,781.8	2,788.0	2,794.1

Electric Plant Depreciation Expense Charged to Clearing Accounts @ 100%:

Information System	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5
Automobiles	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.4	3.4
Light Trucks	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Heavy Trucks	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6
General Equipment	38.6	39.5	40.5	41.8	43.0	44.0	45.0	45.6	46.4	47.2	48.3	50.6
Total	182.0	182.9	184.0	185.3	186.4	187.4	188.4	189.0	189.8	190.6	192.0	194.3

Total Electric Depreciation On Income Statement

	2,388.6	2,364.2	2,369.4	2,374.0	2,380.1	2,521.8	2,579.7	2,583.3	2,586.8	2,591.2	2,596.0	2,599.8
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Common Plant @ 100%

Common Plant in Service Beginning Balance:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	24,990.1	25,239.3	25,228.4	27,450.3	27,401.3	27,278.6	28,665.4	28,503.7	28,476.3	28,664.0	28,568.8	28,538.4
Intangible Plant	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7
Office Buildings	52,894.6	52,855.0	52,815.4	53,000.3	54,723.8	54,684.2	54,634.2	54,568.6	54,518.4	54,478.6	54,524.1	54,546.5
Office Furniture	5,534.3	5,521.0	5,510.7	5,494.2	5,483.9	5,467.4	5,450.9	5,434.4	5,424.1	5,407.6	5,397.3	5,384.0
Automobiles	1,094.5	1,196.3	1,247.3	1,298.3	1,400.1	1,451.1	1,499.8	1,499.8	1,499.8	1,601.2	1,702.7	1,814.3
Light Trucks	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8
Heavy Trucks	6,849.2	7,053.1	7,256.9	7,562.6	7,868.4	8,174.1	8,655.7	8,655.7	8,655.7	8,655.7	9,569.7	9,671.1
General Equipment	3,021.5	3,026.6	3,100.9	3,295.1	3,300.2	3,371.9	3,459.1	3,459.1	3,464.3	3,509.4	3,661.7	3,739.6
Data Handling Equipment	17,912.5	17,891.6	17,870.7	17,849.8	17,828.9	17,808.0	17,787.1	17,766.2	17,745.3	17,724.4	17,703.5	17,682.6
Easements	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4
Total	173,598.6	174,084.8	174,332.1	177,252.4	179,308.5	179,537.2	181,454.2	181,189.5	181,085.8	181,342.9	182,429.7	182,678.5

Common Plant Additions:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	411.0	150.7	2,383.6	112.7	39.0	1,548.5	-	134.3	349.4	66.5	131.3	533.7
Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-
Office Buildings	36.4	36.4	260.9	1,799.6	36.4	26.1	10.3	25.9	36.2	121.5	98.4	36.2
Office Furniture	3.2	6.2	-	6.2	-	-	-	6.2	-	6.2	-	6.2
Automobiles	101.8	51.0	51.0	101.8	51.0	48.7	-	-	101.4	101.4	111.6	203.1
Light Trucks	-	-	-	-	-	-	-	-	-	-	-	-
Heavy Trucks	203.8	203.8	305.7	305.7	305.7	481.6	-	-	-	913.9	101.4	101.4
General Equipment	5.1	74.3	194.2	5.1	71.7	87.3	-	5.1	45.1	152.3	78.0	47.2
Data Handling Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Easements	-	-	-	-	-	-	-	-	-	-	-	-
Total	761.3	522.4	3,195.4	2,331.2	503.8	2,192.2	10.3	171.5	532.1	1,361.9	523.9	927.9

Common Plant Retirements:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7
Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-
Office Buildings	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0
Office Furniture	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5
Automobiles	-	-	-	-	-	-	-	-	-	-	-	-
Light Trucks	-	-	-	-	-	-	-	-	-	-	-	-
Heavy Trucks	-	-	-	-	-	-	-	-	-	-	-	-
General Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Data Handling Equipment	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9
Easements	-	-	-	-	-	-	-	-	-	-	-	-
Total	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1

Common Plant Ending Balance:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	25,239.3	25,228.4	27,450.3	27,401.3	27,278.6	28,665.4	28,503.7	28,476.3	28,664.0	28,568.8	28,538.4	28,910.4
Intangible Plant	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7
Office Buildings	52,855.0	52,815.4	53,000.3	54,723.8	54,684.2	54,634.2	54,568.6	54,518.4	54,478.6	54,524.1	54,546.5	54,506.7
Office Furniture	5,521.0	5,510.7	5,494.2	5,483.9	5,467.4	5,450.9	5,434.4	5,424.1	5,407.6	5,397.3	5,384.0	5,373.8
Automobiles	1,196.3	1,247.3	1,298.3	1,400.1	1,451.1	1,499.8	1,499.8	1,499.8	1,601.2	1,702.7	1,814.3	2,017.4
Light Trucks	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8
Heavy Trucks	7,053.1	7,256.9	7,562.6	7,868.4	8,174.1	8,655.7	8,655.7	8,655.7	8,655.7	8,655.7	9,569.7	9,671.1
General Equipment	3,026.6	3,100.9	3,295.1	3,300.2	3,371.9	3,459.1	3,459.1	3,464.3	3,509.4	3,661.7	3,739.6	3,786.8
Data Handling Equipment	17,891.6	17,870.7	17,849.8	17,828.9	17,808.0	17,787.1	17,766.2	17,745.3	17,724.4	17,703.5	17,682.6	17,661.7
Easements	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4
Total	174,084.8	174,332.1	177,252.4	179,308.5	179,537.2	181,454.2	181,189.5	181,085.8	181,342.9	182,429.7	182,678.5	183,331.3

Common Plant Depreciation Rates:

Unallocated	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Information System	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417
Intangible Plant	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Office Buildings	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182
Office Furniture	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865
Automobiles	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375
Light Trucks	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375
Heavy Trucks	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600
General Equipment	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594
Data Handling Equipment	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787
Easements	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070

Common Plant Depreciation Expense @ 100%:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	260.3	262.9	262.8	285.9	285.4	284.2	298.6	296.9	296.6	298.6	297.6	297.3
Intangible Plant - Amortizations	278.7	278.7	278.7	242.7	242.7	242.7	242.7	242.7	242.7	242.7	242.7	242.7
Office Buildings	115.4	115.3	115.2	115.6	119.4	119.3	119.2	119.1	119.0	118.9	119.0	119.0
Office Furniture	32.5	32.4	32.3	32.2	32.2	32.1	32.0	31.9	31.8	31.7	31.7	31.6
Automobiles	10.3	11.2	11.7	12.2	13.1	13.6	14.1	14.1	14.1	15.0	16.0	17.0
Light Trucks	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2
Heavy Trucks	45.2	46.6	47.9	49.9	51.9	53.9	57.1	57.1	57.1	57.1	63.2	63.8
General Equipment	13.9	13.9	14.2	15.1	15.2	15.5	15.9	15.9	15.9	16.1	16.8	17.2
Data Handling Equipment	103.7	103.5	103.4	103.3	103.2	103.1	102.9	102.8	102.7	102.6	102.5	102.3
Easements	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total	890.2	894.8	896.6	887.3	893.4	894.6	912.8	910.8	910.2	913.0	919.6	921.2

Depreciation Expense Additions

ALLOCATED TO ELECTRIC BASED ON %

Unallocated @ 70.75	-	-	-	-	-	-	-	-	-	-	-	-
Information System @ 70.75	184.2	186.0	185.9	202.3	201.9	201.0	211.3	210.1	209.9	211.3	210.6	210.3
Intangible Plant @ 75.98	211.8	211.8	211.8	184.4	184.4	184.4	184.4	184.4	184.4	184.4	184.4	184.4
Office Buildings @ 70.75	81.7	81.6	81.5	81.8	84.5	84.4	84.3	84.2	84.2	84.1	84.2	84.2
Office Furniture @ 70.75	23.0	22.9	22.9	22.8	22.8	22.7	22.6	22.6	22.5	22.4	22.4	22.3
Automobiles @ 70.75	7.3	7.9	8.3	8.6	9.3	9.6	9.9	9.9	9.9	10.6	11.3	12.0
Light Trucks @ 70.75	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4
Heavy Trucks @ 70.75	32.0	32.9	33.9	35.3	36.7	38.2	40.4	40.4	40.4	40.4	44.7	45.2
General Equipment @ 70.75	9.8	9.8	10.1	10.7	10.7	11.0	11.2	11.2	11.3	11.4	11.9	12.2
Data Handling Equipment @ 70.75	73.3	73.3	73.2	73.1	73.0	72.9	72.8	72.7	72.7	72.6	72.5	72.4
Easements @ 70.75	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	644.4	647.7	648.9	640.5	644.8	645.7	658.5	657.1	656.7	658.7	663.3	664.5

Common Plant Depreciation Expense Charged to

Clearing Accounts:

Information System	184.2	186.0	185.9	202.3	201.9	201.0	211.3	210.1	209.9	211.3	210.6	210.3
Automobiles	7.3	7.9	8.3	8.6	9.3	9.6	9.9	9.9	9.9	10.6	11.3	12.0
Light Trucks	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4
Heavy Trucks	32.0	32.9	33.9	35.3	36.7	38.2	40.4	40.4	40.4	40.4	44.7	45.2
General Equipment	9.8	9.8	10.1	10.7	10.7	11.0	11.2	11.2	11.3	11.4	11.9	12.2
Total	254.6	258.1	259.6	278.3	280.1	281.2	294.3	293.1	292.9	295.1	299.8	301.1

Total Common Electric Depreciation Expense

	389.8	389.6	389.4	362.1	364.7	364.5	364.2	364.0	363.8	363.6	363.5	363.4
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Total Electric Depreciation On Income Statement

	2,388.6	2,364.2	2,369.4	2,374.0	2,380.1	2,521.8	2,579.7	2,583.3	2,586.8	2,591.2	2,596.0	2,599.8
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Total Common Depreciation Alloc On Income Statement

	389.8	389.6	389.4	362.1	364.7	364.5	364.2	364.0	363.8	363.6	363.5	363.4
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Total Electric Depreciation On Income Statement

	2,778.3	2,753.8	2,758.8	2,736.2	2,744.7	2,886.3	2,943.9	2,947.2	2,950.6	2,954.8	2,959.5	2,963.2
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Twelve Months Ended June 30, 2013

34,377.3

Total Electric Depreciation Charged to Clearing

Twelve Months Ended June 30, 2013

2,252.1

Electric Plant Depreciation Expense @ 100%:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Distribution	2,028.2	2,033.6	2,038.8	2,043.1	2,047.1	2,055.9	2,134.5	2,137.3	2,141.1	2,145.2	2,149.5	2,153.3
Transmission	484.7	485.0	485.2	485.6	486.4	486.8	490.4	491.3	491.3	491.7	492.2	492.5
Information System	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5
Intangible Plant	69.6	69.6	69.6	69.6	69.6	69.6	45.0	45.0	45.0	28.9	28.9	28.9
Office Buildings	11.5	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.3	11.3
Office Furniture	42.6	42.6	42.5	42.5	42.5	42.5	42.4	42.4	42.4	42.3	42.3	42.3
Automobiles	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Light Trucks	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Heavy Trucks	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6
General Equipment	52.3	53.3	54.4	55.7	56.8	57.9	59.0	59.6	60.4	61.2	62.3	64.7
Data Handling Equipment	36.9	36.7	36.6	36.5	36.4	36.2	36.1	36.0	35.9	35.8	35.6	35.5
Total	2,869.4	2,875.9	2,882.2	2,888.2	2,869.2	2,879.4	2,962.5	2,966.7	2,954.9	2,960.0	2,965.9	2,972.2

Electric Plant Depreciation Expense Charged to Clearing Accounts @ 100%:

Information System	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5
Automobiles	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Light Trucks	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Heavy Trucks	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6	86.6
General Equipment	52.3	53.3	54.4	55.7	56.8	57.9	59.0	59.6	60.4	61.2	62.3	64.7
Total	196.0	197.0	198.0	199.4	200.5	201.6	202.6	203.2	204.0	204.8	206.0	208.4

Total Electric Depreciation On Income Statement

2,673.4	2,678.9	2,684.2	2,688.8	2,668.7	2,677.8	2,759.9	2,763.4	2,750.9	2,755.2	2,759.9	2,763.8
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Common Plant @ 100%

Common Plant In Service Beginning Balance:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	28,910.4	28,852.4	28,952.0	29,166.6	29,173.9	29,315.5	29,719.6	29,578.8	29,571.2	29,618.3	29,643.2	29,677.1
Intangible Plant	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7
Office Buildings	54,506.7	54,915.2	54,875.4	55,661.3	55,844.9	55,805.1	55,754.9	55,689.3	55,639.2	55,599.5	55,642.7	55,603.0
Office Furniture	5,373.8	5,360.5	5,350.2	5,333.7	5,323.4	5,306.9	5,290.4	5,273.9	5,263.6	5,247.1	5,236.8	5,223.5
Automobiles	2,017.4	2,047.9	2,047.9	2,047.9	2,047.9	2,047.9	2,054.1	2,054.1	2,054.1	2,054.1	2,206.5	2,206.5
Light Trucks	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8
Heavy Trucks	9,772.5	9,873.9	10,077.0	10,280.2	10,483.3	10,686.4	10,956.4	10,956.4	10,956.4	10,956.4	11,159.5	11,159.5
General Equipment	3,786.8	3,890.6	3,959.5	4,012.8	4,097.8	4,141.6	4,199.0	4,199.0	4,296.4	4,341.9	4,398.6	4,437.5
Data Handling Equipment	17,661.7	17,640.8	17,619.9	17,599.0	17,578.1	17,557.2	17,536.3	17,515.4	17,494.5	17,473.6	17,452.7	17,431.8
Easements	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4
Total	183,331.3	183,883.2	184,183.8	185,403.3	185,851.1	186,162.4	186,812.6	186,568.8	186,577.3	186,592.8	186,838.9	187,040.9

Common Plant Additions:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	103.7	261.3	376.3	169.0	303.3	565.8	20.8	154.1	208.8	186.6	195.6	331.0
Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-
Office Buildings	484.5	36.2	861.9	259.6	36.2	25.9	10.4	25.9	36.3	119.2	36.3	108.9
Office Furniture	3.2	6.2	-	6.2	-	-	-	6.2	-	6.2	3.2	6.2
Automobiles	30.5	-	-	-	-	6.2	-	-	-	152.4	-	50.6
Light Trucks	-	-	-	-	-	-	-	-	-	-	-	-
Heavy Trucks	101.4	203.1	203.1	203.1	203.1	270.0	-	-	-	-	203.1	304.5
General Equipment	103.8	68.8	53.3	85.0	43.8	57.4	-	97.4	45.5	56.7	38.9	3,788.8
Data Handling Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Easements	-	-	-	-	-	-	-	-	-	-	-	-
Total	827.0	575.7	1,494.7	722.9	586.4	925.3	31.3	283.6	290.6	521.2	477.1	4,990.1

Common Plant Retirements:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7
Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-
Office Buildings	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0
Office Furniture	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5
Automobiles	-	-	-	-	-	-	-	-	-	-	-	-
Light Trucks	-	-	-	-	-	-	-	-	-	-	-	-
Heavy Trucks	-	-	-	-	-	-	-	-	-	-	-	-
General Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Data Handling Equipment	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9
Easements	-	-	-	-	-	-	-	-	-	-	-	-
Total	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1	275.1

Common Plant Ending Balance:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	28,852.4	28,952.0	29,166.6	29,173.9	29,315.5	29,719.6	29,578.8	29,571.2	29,618.3	29,643.2	29,677.1	29,846.4
Intangible Plant	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7	57,226.7
Office Buildings	54,915.2	54,875.4	55,661.3	55,844.9	55,805.1	55,754.9	55,689.3	55,639.2	55,599.5	55,642.7	55,603.0	55,635.9
Office Furniture	5,360.5	5,350.2	5,333.7	5,323.4	5,306.9	5,290.4	5,273.9	5,263.6	5,247.1	5,236.8	5,223.5	5,213.2
Automobiles	2,047.9	2,047.9	2,047.9	2,047.9	2,047.9	2,054.1	2,054.1	2,054.1	2,054.1	2,206.5	2,206.5	2,206.5
Light Trucks	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8	3,225.8
Heavy Trucks	9,873.9	10,077.0	10,280.2	10,483.3	10,686.4	10,956.4	10,956.4	10,956.4	10,956.4	11,159.5	11,464.1	11,464.1
General Equipment	3,890.6	3,959.5	4,012.8	4,097.8	4,141.6	4,199.0	4,199.0	4,296.4	4,341.9	4,398.6	4,437.5	8,226.3
Data Handling Equipment	17,640.8	17,619.9	17,599.0	17,578.1	17,557.2	17,536.3	17,515.4	17,494.5	17,473.6	17,452.7	17,431.8	17,410.9
Easements	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4	849.4
Total	183,883.2	184,183.8	185,403.3	185,851.1	186,162.4	186,812.6	186,568.8	186,577.3	186,592.8	186,838.9	187,040.9	191,355.9

Common Plant Depreciation Rates:

Unallocated	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Information System	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417	0.010417
Intangible Plant	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Office Buildings	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182	0.002182
Office Furniture	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865	0.005865
Automobiles	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375
Light Trucks	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375	0.009375
Heavy Trucks	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600	0.006600
General Equipment	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594	0.004594
Data Handling Equipment	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787	0.005787
Easements	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070	0.000070

Common Plant Depreciation Expense @ 100%:

Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Information System	301.2	300.6	301.6	303.8	303.9	305.4	309.6	308.1	308.0	308.5	308.8	309.1
Intangible Plant - Amortizations	242.7	60.5	60.5	60.5	60.5	60.5	60.5	60.5	60.5	60.5	60.5	60.5
Office Buildings	118.9	119.8	119.7	121.5	121.9	121.8	121.7	121.5	121.4	121.3	121.4	121.3
Office Furniture	31.5	31.4	31.4	31.3	31.2	31.1	31.0	30.9	30.9	30.8	30.7	30.6
Automobiles	18.9	19.2	19.2	19.2	19.2	19.2	19.3	19.3	19.3	19.3	20.7	20.7
Light Trucks	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2
Heavy Trucks	64.5	65.2	65.5	67.8	69.2	70.5	72.3	72.3	72.3	72.3	72.3	73.7
General Equipment	17.4	17.9	18.2	18.4	18.8	19.0	19.3	19.3	19.7	19.9	20.2	20.4
Data Handling Equipment	102.2	102.1	102.0	101.8	101.7	101.6	101.5	101.4	101.2	101.1	101.0	100.9
Easements	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total	927.6	746.9	749.4	754.7	756.7	759.4	765.4	763.6	763.7	764.1	765.9	767.5

Depreciation Expense Additions

ALLOCATED TO ELECTRIC BASED ON %

Unallocated @ 70.75	-	-	-	-	-	-	-	-	-	-	-	-
Information System @ 70.75	213.1	212.6	213.4	215.0	215.0	216.1	219.0	218.0	217.9	218.3	218.5	218.7
Intangible Plant @ 75.98	184.4	46.0	46.0	46.0	46.0	46.0	46.0	46.0	46.0	46.0	46.0	46.0
Office Buildings @ 70.75	84.1	84.8	84.7	85.9	86.2	86.1	86.1	86.0	85.9	85.8	85.9	85.8
Office Furniture @ 70.75	22.3	22.2	22.2	22.1	22.1	22.0	21.9	21.8	21.8	21.8	21.7	21.7
Automobiles @ 70.75	13.4	13.6	13.6	13.6	13.6	13.6	13.6	13.6	13.6	13.6	14.6	14.6
Light Trucks @ 70.75	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4
Heavy Trucks @ 70.75	45.6	46.1	47.1	48.0	49.0	49.9	51.2	51.2	51.2	51.2	52.1	52.1
General Equipment @ 70.75	12.3	12.6	12.9	13.0	13.3	13.5	13.6	13.6	14.0	14.1	14.3	14.4
Data Handling Equipment @ 70.75	72.3	72.2	72.1	72.1	72.0	71.9	71.8	71.7	71.6	71.5	71.5	71.4
Easements @ 70.75	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	669.0	531.6	533.3	537.1	538.5	540.5	544.7	543.4	543.5	543.7	545.1	546.2

Common Plant Depreciation Expense Charged to

Clearing Accounts:

Information System	213.1	212.6	213.4	215.0	215.0	216.1	219.0	218.0	217.9	218.3	218.5	218.7
Automobiles	13.4	13.6	13.6	13.6	13.6	13.6	13.6	13.6	13.6	13.6	14.6	14.6
Light Trucks	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4	21.4
Heavy Trucks	45.6	46.1	47.1	48.0	49.0	49.9	51.2	51.2	51.2	51.2	52.1	52.1
General Equipment	12.3	12.6	12.9	13.0	13.3	13.5	13.6	13.6	14.0	14.1	14.3	14.4
Total	305.8	306.4	308.3	311.0	312.3	314.4	318.9	317.8	318.1	318.6	320.0	321.3

Total Common Electric Depreciation Expense

	363.2	225.3	225.1	226.1	226.3	226.1	225.8	225.6	225.4	225.2	225.1	224.9
Total Electric Depreciation On Income Statement	2,673.4	2,678.9	2,684.2	2,688.8	2,688.7	2,677.8	2,759.9	2,763.4	2,750.9	2,755.2	2,759.9	2,763.8
Total Common Depreciation Alloc On Income Statement	363.2	225.3	225.1	226.1	226.3	226.1	225.8	225.6	225.4	225.2	225.1	224.9
Total Electric Depreciation On Income Statement	3,036.6	2,904.2	2,909.2	2,914.9	2,895.0	2,903.9	2,985.7	2,989.0	2,976.3	2,980.4	2,985.0	2,988.7

Twelve Months Ended June 30, 2014

35,468.8

Total Electric Depreciation Charged to Clearing

Twelve Months Ended June 30, 2014

2,421.5

Orange & Rockland Utilities, Inc.
Electric Department
Taxes Other than Income Taxes
For the Twelve Months Ending June 30, 2013
(\$000's)

	2012 As Reflected in Exhibit E-4 and E-5	2013 Adjustments	2013 As Adjusted	Changes	Adjusted
Revenue Taxes	\$ 5,311	\$ 41	\$ 5,352	\$ 184	\$ 5,536
Property Taxes					
Expense	24,767	2,271	27,038		27,038
Prior Period Undercollection	2,386	-	2,386		2,386
Property Tax Refunds	-	-	-		-
Payroll Taxes (excluding mobility)	3,329	84	3,413		3,413
Mobility Tax	285	4	289		289
Mobility Tax Amortization	206	-	206		206
All Other	-	-	-		-
Taxes Other Than Income Taxes	<u>\$ 36,284</u>	<u>\$ 2,400</u>	<u>\$ 38,684</u>	<u>\$ 184</u>	<u>\$ 38,868</u>
Less: Gross Receipts Taxes	<u>(5,311)</u>	<u>(41)</u>	<u>(5,352)</u>	<u>(184)</u>	<u>(5,536)</u>
Total Excluding GRT	<u>\$ 30,973</u>	<u>\$ 2,359</u>	<u>\$ 33,332</u>	<u>\$ -</u>	<u>\$ 33,332</u>

For the Twelve Months Ending June 30, 2014
(\$000's)

	2013 As Reflected in Exhibit E-7	2014 Adjustments	2014 As Adjusted	Changes	Adjusted
Revenue Taxes	\$ 5,536	\$ 73	\$ 5,609	\$ 111	\$ 5,720
Property Taxes					
Expense	27,038	1,605	28,643		28,643
Prior Period Undercollection	2,386	-	2,386		2,386
Property Tax Refunds	-	-	-		-
Payroll Taxes	3,413	75	3,488		3,488
Mobility Tax	289	3	292		292
Mobility Tax	206	-	206		206
All Other	-	-	-		-
Taxes Other Than Income Taxes	<u>\$ 38,868</u>	<u>\$ 1,756</u>	<u>\$ 40,624</u>	<u>\$ 111</u>	<u>\$ 40,735</u>
Less: Gross Receipts Taxes	<u>(5,536)</u>	<u>(73)</u>	<u>(5,609)</u>	<u>(111)</u>	<u>(5,720)</u>
Total Excluding GRT	<u>\$ 33,332</u>	<u>\$ 1,683</u>	<u>\$ 35,015</u>	<u>\$ -</u>	<u>\$ 35,015</u>

Orange & Rockland Utilities, Inc.
Electric Department
New York State Income Tax
Twelve Months Ending June 30, 2013
(\$000's)

Case 10-E-0362 November 5, 2010 Update
Exhibit E-7
Schedule 8
Page 1 of 2

	2012 As Reflected in <u>Exhibit E-4 and E-5</u>	2013 <u>Adjustments</u>	2013 <u>As Adjusted</u>	<u>Changes</u>	<u>Adjusted</u>
Operating Income Before Income Taxes	\$ 82,281	\$ (8,324)	\$ 73,957	\$ 17,723	\$ 91,680
Additions: Taxable Income & Unallowable Deductions					
Unallowable Business Expense	-	-	-	-	-
Non Taxable Income, Unallowable Deductions	-	-	-	-	-
Total Deductions	-	-	-	-	-
Deduct: Non Taxable Inc. & Add'l Deductions					
Interest Expense	18,904	1,504	20,408	-	20,408
Medicare Reimbursement	-	-	-	-	-
Total Deductions	18,904	1,504	20,408	-	20,408
Pre Tax Income	63,377	(9,828)	53,549	17,723	71,272
Normalized Items:					
Add: Add'l Income & Unallowable Deducts Normal					
BOOK DEPRECIATION - CHARGED TO EXPENSE	30,888	2,384	33,272	-	33,272
- CHARGED TO CLEARING	4,085	100	4,185	-	4,185
BOOK DEPRECIATION - CHARGED TO EXPENSE - PROPOSED	1,105	-	1,105	-	1,105
CAPITALIZED INTEREST	-	-	-	-	-
TOTAL	36,078	2,484	38,562	-	38,562
Deduct: Non Taxable Inc. & Add'l Deductions					
NYS TAX DEPRECIATION - EXISTING BOOK RATES	43,418	6,510	49,928	-	49,928
COST OF REMOVAL	2,331	(38)	2,293	-	2,293
LIEN DATE PROPERTY TAX DEDUCTION	740	-	740	-	740
LOSS ON DISPOSITION OF PROPERTY	831	-	831	-	831
TOTAL	47,320	6,472	53,792	-	53,792
SECTION II - NORMALIZED ITEMS					
ADD: ADDITIONAL TAXABLE INCOME AND UNALLOWABLE DEDUCTIONS:					
POST EMPLOYMENT BENEFITS CAPIT. / EXP. (FASB 106)	11,951	(1,296)	10,655	-	10,655
CONTRIBUTIONS IN AID OF CONSTRUCTION	620	-	620	-	620
CONTRIBUTIONS IN AID OF CONST. - REFUNDABLE	(166)	-	(166)	-	(166)
INCREASE IN DEFERRED FUEL COST	(71)	73	2	-	2
R&D EXPENSE	472	-	472	-	472
INTEREST ON NET PLANT	(9,245)	-	(9,245)	-	(9,245)
SUPPLEMENTAL PENSION - NONQUALIFIED	1,757	-	1,757	-	1,757
UNALLOWABLE BOOK PENSION EXPENSE	28,224	(577)	27,647	-	27,647
SBC/RPS TRUE UP	-	-	-	-	-
POR DISCOUNT	-	-	-	-	-
PROPERTY TAX REFUNDS	(101)	-	(101)	-	(101)
TOTAL	33,441	(1,800)	31,642	-	31,642
DEDUCT: NONTAXABLE INCOME AND ADDITIONAL ALLOWABLE DEDUCTIONS:					
RATE CASE COSTS	(50)	-	(50)	-	(50)
OPEB FUNDING	4,808	(41)	4,767	-	4,767
ENVIRONMENTAL COST - QER EXPEND. SECTION 198	1,641	5,057	6,698	-	6,698
STORM DAMAGE DEFERRED ON BOOKS	(3,336)	-	(3,336)	-	(3,336)
PENSION FUNDING	22,783	27	22,810	-	22,810
CONSERVATION/ DSM	-	-	-	-	-
AMORTIZATION - CIAC PYRAMID MALL	120	-	120	-	120
CHANGE OF ACCOUNTING- SEC 263A ADJ	14,646	(1,383)	13,263	-	13,263
SOFTWARE COST - DEVELOPED CIMS- PLUS - WALKER	2,602	(307)	2,295	-	2,295
TOTAL	43,214	3,353	46,567	-	46,567
TAXABLE INCOME OR (LOSS)	42,363	(18,969)	23,394	17,723	41,117
SUMMARY OF STATE INCOME TAXES					
CURRENT STATE INCOME TAXES @ 7.1%	3,008	(1,347)	1,661	1,258	2,919
DEFERRED STATE INCOME TAXES @ 7.1%	1,492	649	2,141	-	2,141
DEF NYS INC TAX- RATE CHANGE	126	-	126	-	126
NYS INCOME TAX	\$ 4,626	\$ (698)	\$ 3,928	\$ 1,258	\$ 5,186

Orange & Rockland Utilities, Inc.
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	2013 As Reflected in Exhibit E-7	2014 Adjustments	2014 As Adjusted	Changes	Adjusted
Operating Income Before Income Taxes	\$ 91,680	\$ (2,402)	\$ 89,278	\$ 10,692	\$ 99,970
Additions: Taxable Income & Unallowable Deductions					
UNALLOWABLE BUSINESS EXPENSE	-	-	-	-	-
NON TAXABLE INCOME, UNALLOWABLE DEDUCTIONS	-	-	-	-	-
Total Deductions	-	-	-	-	-
Deduct: Non Taxable Inc. & Add'l Deductions					
INTEREST EXPENSE	20,408	3,594	24,002	-	24,002
MEDICARE REIMBURSEMENT	-	-	-	-	-
Total Deductions	20,408	3,594	24,002	-	24,002
Pre Tax Income	71,272	(5,996)	65,276	10,692	75,968
Normalized Items:					
Add: Add'l Income & Unallowable Deducts Normal					
BOOK DEPRECIATION - CHARGED TO EXPENSE	33,272	1,092	34,364	-	34,364
- CHARGED TO CLEARING	4,185	100	4,285	-	4,285
BOOK DEPRECIATION - CHARGED TO EXPENSE - PROPOSED	1,105	-	1,105	1	1,106
CAPITALIZED INTEREST	-	-	-	-	-
TOTAL	38,562	1,192	39,754	1	39,755
Deduct: Non Taxable Inc. & Add'l Deductions					
NYS TAX DEPRECIATION - EXISTING BOOK RATES	49,928	3,448	53,376	-	53,376
COST OF REMOVAL	2,293	61	2,354	-	2,354
LIEN DATE PROPERTY TAX DEDUCTION	740	-	740	-	740
LOSS ON DISPOSITION OF PROPERTY	831	-	831	-	831
TOTAL	53,792	3,509	57,301	-	57,301
SECTION II - NORMALIZED ITEMS					
ADD: ADDITIONAL TAXABLE INCOME AND UNALLOWABLE DEDUCTIONS:					
POST EMPLOYMENT BENEFITS CAPIT. / EXP. (FASB 106)	10,655	(1,309)	9,346	-	9,346
CONTRIBUTIONS IN AID OF CONSTRUCTION	620	-	620	-	620
CONTRIBUTIONS IN AID OF CONST. - REFUNDABLE	(166)	-	(166)	-	(166)
INCREASE IN DEFERRED FUEL COST	2	2	4	-	4
R&D EXPENSE	472	-	472	-	472
INTEREST ON NET PLANT	(9,245)	-	(9,245)	-	(9,245)
SUPPLEMENTAL PENSION - NONQUALIFIED	1,757	-	1,757	-	1,757
UNALLOWABLE BOOK PENSION EXPENSE	27,647	(1,898)	25,749	-	25,749
SBC/RPS TRUE UP	-	-	-	-	-
POR DISCOUNT	-	-	-	-	-
PROPERTY TAX REFUNDS	(101)	-	(101)	-	(101)
TOTAL	31,642	(3,205)	28,436	-	28,436
DEDUCT: NONTAXABLE INCOME AND ADDITIONAL ALLOWABLE DEDUCTIONS:					
RATE CASE COSTS	(50)	-	(50)	-	(50)
OPEB FUNDING	4,767	(407)	4,360	-	4,360
ENVIRONMENTAL COST - QER EXPEND. SECTION 198	6,698	(4,236)	2,462	-	2,462
STORM DAMAGE DEFERRED ON BOOKS	(3,336)	-	(3,336)	-	(3,336)
PENSION FUNDING	22,810	(4,149)	18,661	-	18,661
CONSERVATION/ DSM/ LCAPS	-	-	-	-	-
AMORTIZATION - CIAC PYRAMID MALL	120	-	120	-	120
CHANGE OF ACCOUNTING- SEC 263A ADJ	13,263	(347)	12,916	-	12,916
SOFTWARE COST - DEVELOPED CIMS- PLUS - WALKER	2,295	(1,605)	690	-	690
TOTAL	46,567	(10,744)	35,823	-	35,823
TAXABLE INCOME OR (LOSS)	41,117	(775)	40,342	10,693	51,035
SUMMARY OF STATE INCOME TAXES					
CURRENT STATE INCOME TAXES @ 7.1%	2,919	(55)	2,864	759	3,623
DEFERRED STATE INCOME TAXES @ 7.1%	2,267	(371)	1,897	-	1,897
DEF NYS INC TAX- RATE CHANGE	126	-	126	-	126
NYS INCOME TAX	\$ 5,186	\$ (426)	\$ 4,761	\$ 759	\$ 5,520

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	2012 As Reflected in <u>Exhibit E-4 and E-5</u>	2013 <u>Adjustments</u>	2013 <u>As Adjusted</u>	<u>Changes</u>	<u>Adjusted</u>
Operating Income Before Income Taxes	\$ 82,281	\$ (8,324)	\$ 73,957	\$ 17,723	\$ 91,680
New York State Income Taxes	4,500	(698)	3,802	1,258	5,060
Book Operating Income before FIT	<u>77,781</u>	<u>(7,626)</u>	<u>70,155</u>	<u>16,465</u>	<u>86,620</u>
<u>Flow Through Items</u>					
<u>Add: Additional Income and Unallowable Deductions</u>					
Book Depreciation - Charged to Expense	30,888	2,384	33,272	-	33,272
- CHARGED TO CLEARING	4,085	100	4,185	-	4,185
Book Depreciation - Charged to Expense - Proposed	1,105	-	1,105	-	1,105
UNALLOWABLE BUSINESS EXPENSE	-	-	-	-	-
NON TAXABLE INCOME, UNALLOWABLE DEDUCTIONS	-	-	-	-	-
Total Additions	<u>36,078</u>	<u>2,484</u>	<u>38,562</u>	<u>-</u>	<u>38,562</u>
<u>Deduct: Non-Taxable Income and Additional Deductions</u>					
Interest on Debt	18,904	1,504	20,408	-	20,408
Statutory Depreciation	28,607	1,939	30,546	-	30,546
Removal Costs	2,331	(38)	2,293	-	2,293
Lien Date Property Tax Deduction	740	-	740	-	740
Loss on Disposition of Property	831	-	831	-	831
Total Deductions	<u>51,413</u>	<u>3,405</u>	<u>54,818</u>	<u>-</u>	<u>54,818</u>
<u>Pretax Income</u>	<u>62,445</u>	<u>(8,547)</u>	<u>53,899</u>	<u>16,465</u>	<u>70,365</u>
<u>Normalized Items:</u>					
<u>Add: Additional Income & Unallowable Deductions:</u>					
Increase in Deferred Fuel Cost	(71)	74	3	-	3
Amortization of Bond Redemption Cost	155	-	155	-	155
Post Employment Benefits Expense	11,951	(1,296)	10,655	-	10,655
Deferred State Income Tax Non Deductible	1,492	649	2,141	-	2,141
Contributions in Aid of Construction	620	-	620	-	620
Contributions in Aid of Const. - Refundable	(166)	-	(166)	-	(166)
R&D Expense	472	-	472	-	472
Interest on net plant	(9,245)	-	(9,245)	-	(9,245)
Book Amortization Computer Software	2,602	(307)	2,295	-	2,295
Unallowable Book Pension Expense	28,224	(577)	27,647	-	27,647
Supplemental Pension - Nonqualified	1,757	-	1,757	-	1,757
Excess Book Over Tax Depr. - B.H.	(21)	-	(21)	-	(21)
Property tax refunds	(101)	-	(101)	-	(101)
Total Additions	<u>37,670</u>	<u>(1,457)</u>	<u>36,212</u>	<u>-</u>	<u>36,212</u>
<u>Deduct: Non-Taxable Income & Other Deductions:</u>					
Tax Depreciation (Norm) - ADR / ACRS / MACRS	6,279	4,286	10,565	-	10,565
Storm Costs	(3,336)	-	(3,336)	-	(3,336)
Pension Funding	22,783	27	22,810	-	22,810
OPEB Funding	4,808	(41)	4,767	-	4,767
Rate Case Costs	(50)	-	(50)	-	(50)
Excess Tax Depr. Over Veh. Lease Exp.	(378)	125	(253)	-	(253)
Environmental Cost - Qer Expend. Sect. 198	1,641	5,057	6,698	-	6,698
Amortization - CIAC Pyramid Mall	120	-	120	-	120
Tax Depreciation CIAC	897	-	897	-	897
Change of Accounting 263A	13,499	(236)	13,263	-	13,263
Software Cost - Developed CIMS- Plus - Walker	2,602	(307)	2,295	-	2,295
Total Deductions	<u>48,865</u>	<u>8,912</u>	<u>57,777</u>	<u>-</u>	<u>57,777</u>
Taxable Income or (Loss)	<u>51,251</u>	<u>(18,916)</u>	<u>32,335</u>	<u>16,465</u>	<u>48,800</u>
<u>Summary of Federal Income Taxes</u>					
Current Federal Income Taxes	17,938	(6,621)	11,317	5,763	17,080
Deferred Federal Income Taxes	3,918	3,629	7,547	-	7,547
Amortization of Deferred FIT - Section 263A	(1,206)	-	(1,206)	-	(1,206)
Total Federal Income Tax	<u>\$ 20,650</u>	<u>\$ (2,992)</u>	<u>\$ 17,658</u>	<u>\$ 5,763</u>	<u>\$ 23,421</u>

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	2013 As Reflected in <u>Exhibit E-7</u>	2014 <u>Adjustments</u>	2014 <u>As Adjusted</u>	<u>Changes</u>	<u>Adjusted</u>
Operating Income Before Income Taxes	\$ 91,680	\$ (2,402)	\$ 89,278	\$ 10,692	\$ 99,970
New York State Income Taxes	5,060	(426)	4,634	759	5,393
Book Operating Income before FIT	<u>86,620</u>	<u>(1,976)</u>	<u>84,644</u>	<u>9,933</u>	<u>94,577</u>
<u>Flow Through Items</u>					
<u>Add: Additional Income and Unallowable Deductions</u>					
BOOK DEPRECIATION - CHARGED TO EXPENSE	33,272	1,092	34,364	-	34,364
- CHARGED TO CLEARING	4,185	100	4,285	-	4,285
Capitalized Interest	1,105	-	1,105	-	1,105
UNALLOWABLE BUSINESS EXPENSE	-	-	-	-	-
NON TAXABLE INCOME, UNALLOWABLE DEDUCTIONS	-	-	-	-	-
Total Additions	<u>38,562</u>	<u>1,192</u>	<u>39,754</u>	<u>-</u>	<u>39,754</u>
<u>Deduct: Non-Taxable Income and Additional Deductions</u>					
Interest on Debt	20,408	3,594	24,002	-	24,002
Statutory Depreciation	30,546	2,034	32,580	-	32,580
Removal Costs	2,293	61	2,354	-	2,354
Lien Date Property Tax Deduction	740	-	740	-	740
Loss on Disposition of Property	831	-	831	-	831
Total Deductions	<u>54,818</u>	<u>5,689</u>	<u>60,507</u>	<u>-</u>	<u>60,507</u>
<u>Pretax Income</u>	<u>70,365</u>	<u>(6,473)</u>	<u>63,891</u>	<u>9,933</u>	<u>73,824</u>
<u>Normalized Items:</u>					
<u>Add: Additional Income & Unallowable Deductions:</u>					
Increase in Deferred Fuel Cost	3	2	4	-	4
Amortization of Bond Redemption Cost	155	12	167	-	167
Post Employment Benefits Expense	10,655	(1,309)	9,346	-	9,346
Deferred State Income Tax Non Deductible	2,141	(371)	1,770	-	1,770
Contributions in Aid of Construction	620	-	620	-	620
Contributions in Aid of Const. - Refundable	(166)	-	(166)	-	(166)
R&D Expense	472	-	472	-	472
Incentive Payment	(9,245)	-	(9,245)	-	(9,245)
Book Amortization Computer Software	2,295	(1,605)	690	-	690
Unallowable Book Pension Expense	27,647	(1,898)	25,749	-	25,749
Supplemental Pension - Nonqualified	1,757	-	1,757	-	1,757
Excess Book Over Tax Depr. - B.H.	(21)	-	(21)	-	(21)
Property tax refunds	(101)	-	(101)	-	(101)
Total Additions	<u>36,212</u>	<u>(5,170)</u>	<u>31,043</u>	<u>-</u>	<u>31,043</u>
<u>Deduct: Non-Taxable Income & Other Deductions:</u>					
Tax Depreciation (Norm) - ADR / ACRS / MACRS	10,565	1,859	12,424	-	12,424
Storm Costs	(3,336)	-	(3,336)	-	(3,336)
Pension Funding	22,810	(4,149)	18,661	-	18,661
OPEB Funding	4,767	(407)	4,360	-	4,360
R&D Expense Debited to Reserve	(50)	-	(50)	-	(50)
Excess Tax Depr. Over Veh. Lease Exp.	(253)	48	(205)	-	(205)
Environmental Cost - Qer Expend. Sect. 198	6,698	(4,236)	2,462	-	2,462
Amortization - CIAC Pyramid Mall	120	-	120	-	120
Tax Depreciation CIAC	897	-	897	-	897
Software Cost - Developed CIMS- Plus - Walker	13,263	(347)	12,916	-	12,916
Tax Depreciation - CIAC	2,295	(1,605)	690	-	690
Total Deductions	<u>57,777</u>	<u>(8,838)</u>	<u>48,939</u>	<u>-</u>	<u>48,939</u>
Taxable Income or (Loss)	<u>48,800</u>	<u>(2,805)</u>	<u>45,995</u>	<u>9,933</u>	<u>55,928</u>
<u>Summary of Federal Income Taxes</u>					
Current Federal Income Taxes	17,080	(982)	16,098	3,476	19,574
Deferred Federal Income Taxes	7,548	(1,284)	6,264	-	6,264
Amortization of Deferred FIT - Section 263A	(1,206)	-	(1,206)	-	(1,206)
Total Federal Income Tax	<u>\$ 23,422</u>	<u>\$ (2,266)</u>	<u>\$ 21,156</u>	<u>\$ 3,476</u>	<u>\$ 24,632</u>

Orange & Rockland Utilities, Inc.
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	2012 As Reflected in <u>Exhibit E-2</u>	2013 <u>Adjustments</u>	2013 <u>As Adjusted</u>
Utility Plant:			
Book Cost of Plant	\$ 1,091,029	\$ 90,235	\$ 1,181,264
Accumulated Reserve for Depreciation	(355,369)	(28,715)	(384,084)
Net Plant	735,660	61,520	797,180
Non-Interest Bearing CWIP	13,817	-	13,817
Working Capital	38,097	2,008	40,105
<u>Regulatory Assets / (Liabilities):</u>			
Deferred Unbilled Revenue (Net of FIT)	20,215	-	20,215
Deferred Purchased Power (Net of FIT)	2,404	(48)	2,356
Deferred M.T.A. Surtax - (Net of FIT)	1,515	-	1,515
Deferred M.T.A. Mobility - (Net of FIT)	311	(124)	187
Deferred MFC Credit and Collection (Net of FIT)	613	(613)	-
Deferred Storm Reserve Expenditures (Net of FIT)	5,036	(2,014)	3,022
Deferred Environmental Remediation (Net of FIT)			
- MGP Sites	5,691	(2,276)	3,415
- West Nyack & Other	96	(38)	58
- Cottman	286	(114)	172
Deferred R&D Expenditures (Net of FIT)	712	(285)	427
Deferred Pollution Control (Net of FIT)	-	-	-
Deferred Workers Comp Expense (Net of FIT)	119	(48)	71
Deferred Interest of 263A and Bonus Depreciation	-	-	-
Deferred Low Income Program (Net of FIT)	234	(94)	140
Deferred Property Tax Undercollection (Net of FIT)	3,602	(1,441)	2,161
Deferred Property Tax Refund (Net of FIT)	152	(61)	91
Deferred Property Tax Refund Cost to Achieve (Net of FIT)	-	-	-
Deferred Rate Case Cost (Net of FIT)	76	(30)	46
Deferred Smart Grid Stimulus Project (Net of FIT)	29	(12)	17
<u>Regulatory (Liabilities) & Other Rate Base Deductions</u>			
Accrued Pension Liability - Rate Base Imputation	-	-	-
Deferred Carrying Charges Net Plant Reconciliation (Net of FIT)	(13,957)	5,583	(8,374)
Deferred Performance Reliability Revenue Adjustment (Net of FIT)	(707)	283	(424)
Deferred Accum Prov for Rate Refund - SIT Rate Change (Net of FIT)	0	-	0
Deferred Current NYS Tax Rate Change (Net of FIT)	(152)	61	(91)
Conservation Cost (Net of FIT)	(223)	89	(134)
Deferred Oil Supplier Refunds (70% - Net of FIT)	(83)	33	(50)
Customer Advances for Construction (Net of FIT)	(19)	8	(11)
Deferred CATV Billing (Net of FIT)	(174)	69	(105)
<u>Accumulated Deferred FIT</u>			
Accum. Deferred FIT - ACRS / ADR	(79,643)	(3,592)	(83,235)
Accum. Deferred FIT - 263(A) Capitalized Overheads	(32,856)	1,206	(31,650)
Accum. Deferred FIT - 263(A) Capitalized Overheads - Updated for Sep	1,215	242	1,457
Accum. Deferred SIT	(8,624)	1,257	(7,367)
Accumulated Deferred Investment Tax Credits	(933)	242	(691)
Change in Accounting/ Repair Allowance - 283150	(1,773)	89	(1,684)
Bonus Depreciation	(4,808)	240	(4,568)
Rate Base - Total	\$ 685,924	\$ 62,141	\$ 748,066

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Working Capital Allowance
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	2012 As Reflected in <u>Exhibit E-2</u>	2013 <u>Adjustments</u>	2013 <u>As Adjusted</u>
<u>M & S</u>			
GENERAL & COMMON (ELECTRIC)	\$6,178	\$120	\$6,298
TOTAL MATERIALS AND SUPPLIES	6,178	120	6,298
<u>PREPAYMENTS</u>			
INSURANCE	87	2	89
PROPERTY TAXES	8,568	1,135	9,703
PSC ASSESSMENT	604	12	616
OTHER	(605)	(12)	(617)
TOTAL PREPAYMENTS	8,654	1,137	9,791
<u>CASH WORKING CAPITAL</u>			
OPERATION & MAINTENANCE EXP.	421,582	6,702	428,284
LESS:			
PURCHASED POWER	243,444	5,118	248,562
UNCOLLECTIBLES	2,521	10	2,531
<u>REGULATORY ITEMS (DEFERRED CHARGES)</u>			
DEFERRED PURCHASED POWER	(71)	73	2
RESEARCH & DEVELOPMENT AMORTIZATION	472	-	472
SYSTEM BENEFITS CHARGE	10,573	(3,828)	6,745
RENEWABLE PORTIFOLIO STANDARD	2,938	-	2,938
18A ASSESSMENT	-	-	-
WORKERS COMPENSATION	170		
STORM RESERVE (DEFERRAL) / AMORTIZATION	3,336		
ENVIRONMENTAL REMEDIATION	-		
MGP AMORTIZATION DEFERRALS	3,770	-	3,770
WEST NYACK AMORTIZATION	63	-	63
COTTMAN AVENUE, NEWARK BAY, BORNE	189	-	189
WORKING CAPITAL REQUIREMENTS	154,177	5,328	163,011
CASH WORKING CAPITAL @ 1/8	19,272	666	19,938
PURCHASE POWER X 1.64%	3,992	84	4,076
TOTAL WORKING CAPITAL	\$ 38,097	\$ 2,008	\$ 40,104

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	2013 As Reflected in <u>Exhibit E-7</u>	2014 <u>Adjustments</u>	2014 <u>As Adjusted</u>
Utility Plant:			
Book Cost of Plant	\$ 1,181,264	\$ 80,894	\$ 1,262,158
Accumulated Reserve for Depreciation	(384,084)	(31,387)	(415,471)
Net Plant	797,180	49,507	846,687
Non-Interest Bearing CWIP	13,817	-	13,817
Working Capital	40,105	669	40,774
<u>Regulatory Assets / (Liabilities):</u>			
Deferred Unbilled Revenue (Net of FIT)	20,215	-	20,215
Deferred Purchased Power (Net of FIT)	2,356	(48)	2,309
Deferred M.T.A. Surtax - (Net of FIT)	1,515	-	1,515
Deferred M.T.A. Mobility - (Net of FIT)	187	(124)	63
Deferred MFC Credit and Collection (Net of FIT)	-	-	-
Deferred Storm Reserve Expenditures (Net of FIT)	3,022	(2,014)	1,008
Deferred Environmental Remediation (Net of FIT)			
- MGP Sites	3,415	(2,276)	1,139
- West Nyack & Other	58	(38)	20
- Cottman	172	(114)	58
Deferred R&D Expenditures (Net of FIT)	427	(285)	142
Deferred Pollution Control (Net of FIT)	-	-	-
Deferred Workers Comp Expense (Net of FIT)	71	(48)	23
Deferred Interest of 263A and Bonus Depreciation	-	-	-
Deferred Low Income Program (Net of FIT)	140	(94)	46
Deferred Property Tax Undercollection (Net of FIT)	2,161	(1,441)	720
Deferred Property Tax Refund (Net of FIT)	91	(61)	30
Deferred Property Tax Refund Cost to Achieve (Net of FIT)	-	-	-
Deferred Rate Case Cost (Net of FIT)	46	(30)	16
Deferred Smart Grid Stimulus Project (Net of FIT)	17	(12)	5
<u>Regulatory (Liabilities) & Other Rate Base Deductions</u>			
Accrued Pension Liability - Rate Base Imputation	-	-	-
Deferred Carrying Charges Net Plant Reconciliation (Net of FIT)	(8,374)	5,583	(2,791)
Deferred Performance Reliability Revenue Adjustment (Net of FIT)	(424)	283	(141)
Deferred Accum Prov for Rate Refund - SIT Rate Change (Net of FIT)	0	-	0
Deferred Current NYS Tax Rate Change (Net of FIT)	(91)	61	(30)
Conservation Cost (Net of FIT)	(134)	89	(45)
Deferred Oil Supplier Refunds (70% - Net of FIT)	(50)	33	(17)
Customer Advances for Construction (Net of FIT)	(11)	8	(3)
Deferred CATV Billing (Net of FIT)	(105)	69	(36)
<u>Accumulated Deferred FIT</u>			
Accum. Deferred FIT - ACRS / ADR	(83,235)	(3,592)	(86,827)
Accum. Deferred FIT - 263(A) Capitalized Overheads	(31,650)	1,206	(30,444)
Accum. Deferred FIT - 263(A) Capitalized Overheads - Updated for Sep	1,457	242	1,699
Accum. Deferred SIT	(7,367)	1,257	(6,110)
Accumulated Deferred Investment Tax Credits	(691)	242	(449)
Change in Accounting/ Repair Allowance - 283150	(1,684)	84	(1,600)
Bonus Depreciation	(4,568)	228	(4,340)
Rate Base - Total	\$ 748,066	\$ 49,384	\$ 797,451

Orange & Rockland Utilities, Inc.
Electric Department
Working Capital Allowance
Twelve Months Ending June 30, 2014
(\$000's)

Case 10-E-0362 November 5, 2010 Update
Exhibit E-7
Schedule 10
Page 4 of 4

	2013 As Reflected in <u>Exhibit E-7</u>	2014 <u>Adjustments</u>	2014 <u>As Adjusted</u>
<u>M & S</u>			
GENERAL & COMMON (ELECTRIC)	\$6,298	\$129	\$6,428
TOTAL MATERIALS AND SUPPLIES	6,298	129	6,428
<u>PREPAYMENTS</u>			
INSURANCE	89	2	91
PROPERTY TAXES	9,703	802	10,506
PSC ASSESSMENT	616	13	628
OTHER	(617)	(13)	(629)
TOTAL PREPAYMENTS	9,791	804	10,595
<u>CASH WORKING CAPITAL</u>			
OPERATION & MAINTENANCE EXP.	428,284	10,185	438,468
LESS:			
PURCHASED POWER	248,562	8,529	257,091
UNCOLLECTIBLES	2,531	-	2,531
REGULATORY ITEMS (DEFERRED CHARGES)			
DEFERRED PURCHASED POWER	2	2	4
RESEARCH & DEVELOPMENT AMORTIZATION	472	7	479
SYSTEM BENEFITS CHARGE	6,745	1,528	8,273
RENEWABLE PORTIFOLIO STANDARD	2,938	-	2,938
18A ASSESSMENT	-	-	-
WORKERS COMPENSATION	-		
STORM RESERVE (DEFERRAL) / AMORTIZATION	-		
ENVIRONMENTAL REMEDIATION	-		
MGP AMORTIZATION DEFERRALS	3,770	3,349	7,119
COTTMAN AVENUE	63	-	63
WEST NYACK AMORTIZATION	189	-	189
WORKING CAPITAL REQUIREMENTS	163,011	(3,230)	159,781
CASH WORKING CAPITAL @ 1/8	19,938	(404)	19,534
PURCHASE POWER X 1.64%	4,076	140	4,216
TOTAL WORKING CAPITAL	\$ 40,104	\$ 669	\$ 40,774

Orange & Rockland Utilities, Inc.
 Electric Department
 Interest Synchronization
 Twelve Months Ending June 30, 2013
 (\$000's)

	2012 As Reflected in <u>Exhibit E-4 and E-5</u>	2013 <u>Adjustments</u>	2013 <u>As Adjusted</u>
Rate Base	\$672,230	\$62,141	\$734,371
Interest Bearing CWIP (+)	<u>27,115</u>	<u>-</u>	<u>27,115</u>
Earnings Base	699,345	62,141	761,486
Embedded Cost of Debt	<u>2.70%</u>	<u>-0.02%</u>	<u>2.68%</u>
Interest Deduction	<u>\$18,904</u>	<u>\$1,504</u>	<u>\$20,408</u>

Twelve Months Ending June 30, 2014
 (\$000's)

	2013 As Reflected in <u>Exhibit E-7</u>	2014 <u>Adjustments</u>	2014 <u>As Adjusted</u>
Rate Base	\$734,371	\$49,384	\$783,755
Interest Bearing CWIP (+)	<u>27,115</u>	<u>-</u>	<u>27,115</u>
Earnings Base	761,486	49,384	810,870
Embedded Cost of Debt	<u>2.68%</u>	<u>0.28%</u>	<u>2.96%</u>
Interest Deduction	<u>\$20,408</u>	<u>\$3,594</u>	<u>\$24,002</u>

ORANGE AND ROCKLAND UTILITIES, INC.

INDEX OF SCHEDULES

Cost of Capital

<u>SCHEDULE</u>	<u>TITLE OF SCHEDULE</u>	<u>WITNESS</u>
1	Rate of Return Required for the Rate Year	J. Perkins
3	Long-Term Debt - Forecasted for June 30, 2012	"
3A	Amortization of Unrecovered Cost of Retired Bonds	"

ORANGE AND ROCKLAND UTILITIES, INC. & SUBSIDIARIES
 RATE OF RETURN REQUIRED FOR THE RATE YEAR

Thirteen Month Average Ending June 30, 2012

	Forecasted 13 Month Average June 30, 2012	Ratio	Cost Rate	Weighted Cost
Long term Debt				
ORU	578,528,600			
RECO	0			
Pike	3,200,000			
Total	<u>581,728,600</u>	48.71%	5.50%	2.68%
Customer Deposits				
ORU	10,748,000			
RECO	2,137,000			
Pike	166,000			
Total	<u>13,051,000</u>	1.09%	2.16%	0.02%
Common Equity				
Par	5,000			
Premium	334,905,200			
Expense	(166,600)			
Retained Earnings	264,796,100			
Total	<u>599,539,700</u>	50.20%	11.00%	5.52%
Total Capitalization	<u><u>1,194,319,300</u></u>	<u><u>100.00%</u></u>		<u><u>8.23%</u></u>

ORANGE AND ROCKLAND UTILITIES, INC. AND SUBSIDIARIES
LONG TERM DEBT
Forecast - Thirteen Months Ending June 30, 2012

	Issue Date	Maturity Date	Amount Outstanding	Original Issue Amount	Premium or Discount	Expense of Issuance	Net Proceeds	Actual Cost of Money	Effective Annual Cost
Orange and Rockland Utilities, Inc.									
Debtures:									
Series F, 6.50%	12/18/97	12/1/27	80,000,000	80,000,000	0	901,750	79,098,250	6.59%	5,272,000
Series A, 2005, 5.30%	3/31/05	4/1/15	40,000,000	40,000,000	(80,000)	495,000	39,425,000	5.49%	2,196,000
Series A, 2006, 5.45%	10/4/06	10/1/16	75,000,000	75,000,000	(136,500)	562,500	74,301,000	5.57%	4,177,500
Series A, 2008, 6.15%	9/1/08	9/1/18	50,000,000	50,000,000	(89,500)	625,000	49,285,500	6.34%	3,170,000
Series A, 2009, 4.96%	12/1/09	12/1/19	60,000,000	60,000,000	0	2,216,052	57,783,948	5.44%	3,264,000
Series B, 2009, 6.00%	12/1/09	12/1/39	60,000,000	60,000,000	0	2,351,052	57,648,948	6.29%	3,774,000
Series A, 2010, 2.50%	8/12/10	8/15/15	55,000,000	55,000,000	(67,100)	447,000	54,485,900	2.67%	1,467,235
Series B, 2010, 5.50%	8/12/10	8/15/40	115,000,000	115,000,000	(218,500)	1,160,318	113,621,182	5.58%	6,413,090
			<u>535,000,000</u>					<u>5.56%</u>	<u>29,733,825</u>
Pollution Control Debt:									
1995, Variable Rate	8/1/95	8/1/15	44,000,000	44,000,000	0	3,571,683	40,428,317	3.51%	1,544,444
			<u>44,000,000</u>					<u>3.51%</u>	<u>1,544,444</u>
Sub Total ORU Debt									
			579,000,000					5.40%	31,278,269
			<u>(471,408)</u>						
Total ORU			<u>578,528,592</u>						
Pike County Light & Power Company									
First Mortgage Bonds:									
Series C, 7.07%	11/10/98	10/1/18	3,200,000	3,200,000	0	284,129	2,915,871	7.97%	255,040
			<u>3,200,000</u>					<u>7.97%</u>	<u>255,040</u>
Amortization of Loss on reacquired debt:									
			582,200,000					0.08%	494,073
			<u>(471,408)</u>						
Total Consolidated			<u>581,728,592</u>					<u>5.50%</u>	<u>32,027,382</u>
Rounded			<u>581,728,600</u>						

Orange and Rockland Utilities, Inc.
Amortization of Unrecovered Cost for Retired Bonds

<u>Account Number</u>	<u>Description</u>	<u>Retire Date</u>	<u>Annual Amortization Expense</u>
189040	Pollution Control bonds #2	1994	\$ 127,226
189050	Pollution Control bonds #3	1995	123,574
189060	Pollution Control bonds #4	Aug-10	67,857
189150	Series 1999G Call	Jan-10	175,416
			<u>\$ 494,073</u>