

P.S.C. NO. 3 ELECTRICITY
ORANGE AND ROCKLAND UTILITIES, INC.
INITIAL EFFECTIVE DATE: April 1, 2012

LEAF: 320
REVISION: 0
SUPERSEDING REVISION:

SERVICE CLASSIFICATION NO. 15 (Continued)

RATE TO BE PAID BY COMPANY - MONTHLY:

The payment rates for customers taking service under this Service Classification or under negotiated contracts that are based upon the Service Classification No. 15 payment rate shall be as follows:

(1) Payment Rate for Energy

The energy payment rates will be a monthly average of the hourly LBMPs in the Day Ahead Market for NYISO Zone G in the rating period when the purchase is made.

For customers delivering energy at the secondary distribution level the LBMP will be increased by a factor of adjustment of 1.05641, rounded to the nearest \$0.00001 per kWh.

(2) Payment Rate for Capacity

The Company will pay for the capacity it purchases under this Service Classification at a rate based on the pre-capability period strip auction price paid by the Company for the capacity it purchases from the NYISO for Zone G prior to the start of each summer and winter capability period.

Sellers opting to sell capacity to the Company will be required to enter into a sales agreement with the Company for the purchase of such capacity. Such agreements must include, among other things, provisions requiring the capacity to satisfy all of the requirements applicable to installed capacity established by the NYISO, including payments for capacity deficiencies, imposed by the NYISO on the seller or on the Company as a result of the seller's failure to satisfy all such requirements.

(3) Adjustment to Rates and Charges

To the extent that a minimum unit rates applies under Section 66-c of the Public Service Law, the annual average rate to be paid under this service classification shall be no less than 6.0 cents per kilowatthour, trued up each month.

Issued By: William Longhi, President, Pearl River, New York