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

REVISION: SUPERSEDING REVISION:

LEAF:

GENERAL INFORMATION

15. MARKET SUPPLY CHARGE ("MSC") (Continued)

15.3 MANDATORY DAY-AHEAD HOURLY PRICING ("DAHP") (Continued)

(A) Applicability (Continued)

Customers' bills having a "from" date on or after May 1, 2013 (2)

A customer receiving power supply from the Company under Service Classification Nos. 2, 3, 20, 21 or 25 (Rates 1 and 2), who maintains a demand in excess of 300 kW in any two months of the previous 12-month period ending September 30 is subject to Mandatory DAHP. Once on Mandatory DAHP, a customer whose demand does not exceed 200 kW for 12 consecutive months during the period ending September 30, shall be transferred out of Mandatory DAHP effective with its bill having a "from" date on or after the following May 1 unless the customer elects to remain on DAHP service on a voluntary basis.

Mandatory DAHP is not applicable to customers taking service under Riders B, G, I, or J of this Rate Schedule. A Customer may elect at any time to have its electric power supply provided by an ESCO in accordance with Rider I of this Rate Schedule.

(B) Charges

Energy Charges (per kWh)

Customers shall be subject to hourly energy charges for electric power supply set each hour of each day of the year. The energy component of such hourly energy charge will be equal to the NYISO's day-ahead Locational Based Marginal Price for Zone G.

Ancillary Services/NTAC Charge (per kWh)

Customers shall be subject to a charge per kWh associated with ancillary services and NTAC equal to the cost per kWh for such components for the cost month two months prior to the billing month. The Ancillary Services/NTAC Charge shall be shown on the "Statement of Market Supply Charge" filed each month with the Public Service Commission.

The sum of the Energy Charge and Ancillary Services/NTAC Charge shall be adjusted for losses using the loss factors set forth in General Information Section No. 31.

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